Modern oness

· - Thirtie He g

til, bitte

United Just 1980

The Page

10 4 5 4 13 Deb

- 1- Z

- - - 1 <u>V</u>

276

-

367

*

٠.;:

\$ 1.00 200

- 12

TAY UP.

77 L. - 270 Tab

Tr. State of

1.00

.

100

 $\langle \lambda r_{ij} \rangle_{ij}$

92.5

204 ...

W25 44 4

200 00

287 No. 1 No.

2/12/44

4,3 5.24

14 1 1

 $\sqrt{2} \cdot k = 1$

11 ...

7

 $some \gamma + \gamma$

763

State St.

 $g\in {\mathbb T}$

12.15

 $(y) = 2^{|y|} \cdot |y|^2$

au 🖘 250 . . .

A TOME H

The Bar se - 1.5.0 10 200





Northern exposure What Nordic countries

want from the EC



Britain's unions

Can John Monks lead them back from the margin?



DIVISION

FINANCIAL TIMES

MONDAY SEPTEMBER 6 1993

Boost for AT&T in bid for share of UK telecoms market

Europe's Business Newspaper

Oftel, the UK telecommunications regulator, has given the strongest signal yet that American Telephone & Telegraph will be allowed to compete with British Telecom in the £15hn-a-year UK telecommunications market.

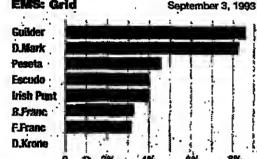
Oftel has invited AT&T to a seminar next month called to discuss the terms on which competitors should be allowed access to BT's network. Page 12

US investors turn to Europe: US investors who helped drive the London stock market to new peaks are turning their attention to other European bourses, threatening to undermine the UK equity market's recent rally. Page 12

Romanians' short-cut to riches: More than 2m Romanians have sunk cash into a scheme in the Transylvanian town of Cluj which takes minimum deposits of Lei20,000 (\$23) with a promise to pay back eight times the amount in three months. Page 12

European Monetary System: The Belgian franc was the dominant feature of the European exchange rate mechanism last week. It started the week third from bottom of the system, separated hy 4.25 percentage points from the weakest currency, the Danish krone. By the close on Friday, it had fallen to second from bottom, only 2.80 percentage points separating it from the Danish currency. The grid's currencies are diverging in general: some 8.71 percentage points separate the weakest and strongest, with the permitted divergence being 15 per cent. Economics Notebook. Page 13; Further rises for D-Mark, Page 2; Curren-





The chart shows the member currencies of the exchange rate mechanism measured against the weakest currency in the system. After the reform of the exchange rate mechanism on August 2, 1993; one member currency can rise against another by as much as 15 percentage points in the system's grid. The exception is the divergence between the D-Mark and the Dutch guilder, which remain tied to each other in a 2.25 per cent band.

Merck, the US's biggest drugs company, has run into a setback in its planned \$6bn takeover of Medco Containment Services, the country's largest mail-order drugs distributor, after the Federal Trade Commission indicated that it planned to scrutinise the deal more closely. Page 13

Reed Elsevier, international publishing and information group, has finally realised its planned purchase of Official Airline Guides, paying \$417m in cash for the airline schedules and hotels information group. Page 14

Volvo: Sweden's centre-right government agreed to a full merger between the country's premier manufacturing company, and Renault, the statecontrolled French car and truckmaker due to be privatised shortly. Page 16; Observer, Page 11

Toronto SE launches index: The Toronto Stock Exchange is to launch on October I an index of 100 most actively traded stocks, designed to help institutional investors measure Canadian equity performance more accurately. Page 16

US widens traqi arms probe: The Clinton administration is moving ahead with a broadened investigation of the US role in Iraq's arms procure ment network and has not ruled out the possibility of naming a special prosecutor. Page 5

Iraqi PM sacked: Iraqi prime minister Mohammed Hamza al-Zubetdi has been replaced by finance minister Ahmed Hussein Khudayyir, who will retain the finance portfolio.

Union leader looks to US: John Monks, who this week becomes general secretary of the UK's Trades Union Congress, wants to draw on lessons from the US labour movement in his efforts to reverse the trend of declining union membership.

Major faces test on taxes: UK prime minister John Major was last night facing a new test of his leadership as the Tory right stepped up its efforts to head off possible tax increases in tha November Budget. Page 6

California plans ballot change: California plans to hold its presidential primary ballot earlier in the year, giving it greater impact on the shape of future US elections. Page 5 Japan to set lower interest rates: The

Bank of Japan is on the verge of reducing official interest rates in an attempt to stimulate an ailing economy and restore consumer and corporate confidence, bank sources say. Page 5 Paris seeks employment pact: The French

government is to invite employers and trade unions to agree on the flexible working of shorter hours in an attempt to reduce the country's record 11.7 per cent unemployment rate. Page 2

Mile mark lowered: Algerian Noureddine Morceli broke the eight-year-old world mile record held by Steve Cram of the UK with a time of three minutes 44.39 seconds at a meeting in Riefi, Italy.



Palestinian officials warn internal PLO agreement may take weeks

Israel confident on peace deal

By Andrew Gowers and Julian Ozanne in Jerusalem and Mark Nicholson in London

ISRAEL said yesterday that it was on course to conclude deals hy next week on recognising the Palestine Liberation Organisa-tion and on Palestinian self-rule, despite continuing haggling over the terms governing recognition. Israell miniatera were united after yesterday's cabinet meeting in proclaiming that the sole remaining obstacles to signing the two agreements were matters of wording, not principla – in particular the wording of a state-ment to be issued by the PLO dissociating itself from terrorism and disavowing significant parts

of its founding charter.

As a measure of mounting confidence within Israel over the prospects of a real peace breakthrough, stock prices on the Tel Aviv exchange rose to a record high yesterday, with the Mish-tanim share index rising 10 points to close at 226.76.

However, Palestinian officials in Washington cautioned that It could take weeks for the PLO push the outline agreement through its internal decisionmaking bodies, "The [PLO] executive committee is meeting Thursday, after that the central council. It is going to take some time," said one official.

Israeli and US officials have both expressed the hope that the "declaration of principles" governing early autonomy in the Gaza and Jericho and covering Palestinian empowerment elsewhere in the West Bank could be signed in Washington on September 13, at the end of the present round of peace talks.

Both sides are determined to ustain momentum behind the breakthrough agreement on lim-

Tens of thousands of Israelis crowded into Tel Aviv's central square at the weekend in a rally to back the government's peace efforts

ited self-rule for the Palestinians. unveiled more than a week ago after secret talks in Oslo.

Mr Yassir Arafat, the PLO chairman, arrived yesterday in Damascus to win public support for the deal from President Hafez al-Assad, having at the weekend won open backing from the mainstream Fatah faction of the PLO and from King Hussein, the Jordanian ruler. The Syrian government has reserved comment on the deal, which has been sharply criticised in its official press. However, Mr Arafat fold

Arafat steps up drive to win Arab backingPage 4

reporters before flying from Cairo to Damascus; "We're on the verge of finalising this agree-

Mr Arafat is also seeking to accommodate internal Palestinian opposition to the agreement, partly to expedite its approval by PLO decision-making bodies, and has sought a meeting with Mr George Hapash; leader of the hard-line Popular Front for the Liberation of Palestine, He is then expected to visit the

Gulf, where he is likely to seek

both political and financial backing for the agreement. Gulf foreign ministers convened in Riyadh yesterday to discuss the

> The Israeli government is equally determined not to see momentum lost. "No one has an alternative. It is impossible to go back. There is no going back," Mr Shimon Peres, foreign minister, told Israel radio, echoing a state-

ment made by Mr Arafat in his first-ever Israeli television interview on Saturday.

Mr Haim Ramon, bealth minister, said: "We have our difficul-tles, internal difficulties, and they [the PLO] have even more difficulties. I want to believe that we will be able to conclude in the next few days."

Israel has signalled it would be happy to sign only the self-rule agreement in a week's time in Washington, but the PLO wants

.. Continued on Page 12

orders inquiry into surge in Seat losses

in Frankfurt

Ferdinand Piech, Volkswagen chairman, has ordered an examination of the books at Seat, following a rapid and unexpected surge in losses at the car group's Spanish subsid-

Ha is believed to have commissioned a special audit after receiving reports of a looming deficit at Seat this year of DM800m (\$482m) or more, andrequests for an urgent DM1hn cash injection.

The subsidiary, which was taken over in 1986 and operates some of the most modern and low-cost manufacturing sites in the group, lost DM180m last year on sales of DM10bn.

adds to the burdens of Mr Piech, cific markets. a hitter clash with General Motors of the US over allegations of industrial espionage. At the same time, he is battling

to restore his personal credibility after having had to back away from earlier promises that the struggling VW automotive group would return to profit this year. Mr Piech, VW chairman since

January 1, last Friday took on extra responsibilities – for audit-ing and government relations – after discussions with the group's supervisory board on measures

No rescue decisions were taken, and a statement issued after the sitting referred only to "cause for concern" et Seat and

The need for an investigation in North American and Asian-Pa-

andit, which will be reported directly to Mr Piech, VW appears to have little alternative but to step in with a salvage operation which could wreck the chairman's hopes of a successful first financial year at the group. VW lost DM1.6bn in the first

half, although the supervisory board said on Friday that It expected a positive result in the third quarter for the German parent and the group as a whole.

The most likely source of cash

for Seat is an intra-group transfer of DMIbn in return for which the parent would take control of the Spanish subsidiary's Pamplona plant, currently used to manufacture VW-marque Polo cars.

at the weekend.

The company blamed its tronbles on the motor industry slump and the devaluation of the peseta, which had pushed up the cost of imported parts. It made no reference to the relative advantages for selling prices of the peseta's loss of value.

In the first half of this year,

The sale had already been while VW group vehicle producplanned and now it seemed advis- tion fell 19 per cent, output of VW has invested more than

DM4bn in its Spanish business in the past two years, spending mainly on a new lean production factory at Martorell, and updating other sites.

In July Seat scrapped a joint venture with Suzukl of Japan to build 150,000 mini-cars a year in

EC to probe antitrust allegations against Microsoft

By Louise Kehoe in San Francisco and Geof Wheelwright

EC competition authorities are investigation allegations of antitrust vinlations by Microsoft, the world's largest computer soft-

ware company.

According to Microsoft, the EC investigation stems from a complaint filed nn June 30 by Novell, the leading computer networking software company and Micro-soft's arch-rival.

The allegations follow abortive secret merger talks between the two companies last year.

The Directorate General for Competition (DG4) is currently assessing the merits of Novell's allegations," Microsoft said. "We believe Microsoft has acted in a legal and ethical manner and we look forward to presenting our evidence to the Directorate-General

The EC antitrust investigation mirrors e similar probe by the US Justice Department, which recently began a review of information gathered over three years by the US Federal Trade Commission. The Justice Department intervened after the FTC was deadlocked twice on whether to

take action against Microsoft. While under FTC investigation. Microsoft made an offer to acquire Novell for \$12bn-\$13bn.

In the UK, the Office of Fair Trading has also looked into charges of anti-competitive activlties by Microsoft. However, the OFT is now believed to have suspended Its investigation in view of DG4's involvement.

Each company now accuses the other of having failed to negotiate in good faith. Novell is bitter about what it sees as Microsoft's use of the protracted merger talks to slow its attempts to compete in the PC operating market. Microsoft says it was Novell that dragged the talks out and finally

Novell declined to comment directly on its complaint, but acknowledged that it and "other significant software companies" have been involved in discussions with DG4 about Microsoft. The complaint is, however, understood to charge that Micro-

Continued on Page 12

Further cuts in Japanese car exports to Europe agreed

By Michiyo Nakamoto in Tokyo

THE EUROPEAN Commission and Japanese authorities agreed at the weekend to cut the number of cars entering the European Community from Japan this year to 980,000 units, a fall of some 17.6 per cent from last year's The deal, which was reached in

Tokyo after two days of intense talks, goes much further than an earlier agreement in April that, given the weakness of the European car market, Japanese exports to the EC should ha reduced by 9.4 per cent to 1.09m The agreement favours the EC

car industry at the expense of Japanese makers, which were hoping to keep the figure above lm units. Japan was, however, able to win agreement that the level of Japanese exports could be adjusted mid-year, not only if EC market conditions deteriorated substantially, but also if they improved.

The two sides reached an

LIK Neves .

Wook Ahead

ond session of talks on Friday extended throughout the night to

about midday on Saturday. Exports to the UK are maintained under the new agreement at 202,800 on the grounds that market conditions are improving there. Exports to France are to fall to 69,000 from an initially agreed 77,300, while those to Italy are down to 38,800 from 42,900, Spain to 29,300 from 34,200 and

Portugal to 39,000 from 41,500.

Under a monitoring arrangement aimed at gradually opening up the EC market to Japanese car exports, Japan limits the number of cars it exports to the EC to a mutually agreed level. This arrangement is due to end with full liberalisation in 1999.

The agreement in April was based on a forecast by the European Commission that the EC car market would fall 6.5 per cent this year to 13m units. However, EC automotive demand fell 18.5 per cent in the first seven months of the year. The latest agreement is based on mutual

CONTENTS

recognition that demand for cars in the EC market will reach some 11.7m units in 1993.

Although the Japanese authorlties had recognised the weakness of car demand in the EC, and were in principle agreed that a reduction would be necessary, they had at first resisted the EC's request, in part out of fear of setting an unwanted precedent.

The Japanese car Industry, which has been under severe pressure from weak demand in its home market and fierce competition in the US in the wake of a higher yen, expressed a mix ture of concern and resignation. "Our basic stance is that given the weakness of the EC market, it cannot be helped," a Toyota official said.

It is unlikely Japanese car exports would have been much greater than the level agreed at the weekend. Exports to the EC were already down 16 per cent in the first six months of the year.

France in veto threat, Page 2 Commercial vehicle sales, Page 8

> Share information 31-33 World Stock Markets _____ 20

Solutions from other people £1333;w

Right now, hobody but Elonex could make an offer

us and the picture is even better than it looks here.

All of these powerful ficegooff® business solutions are preloaded. You merely

these bestsellers from Florey and Microsoft combine to give you the most professionel set-up available.

to run our own company and we know they're the business. Of course, we haven't forgotten that you'll still be

A direct comparison from Elonex.



So feel free to call our Technical Support Hotline as often as you like and for however long you want. We won't charge you for it.

Whichever way you add It up, you can see why people go a bundle on Elonex.

London: 081-452 4444 Bradford: 0274-307226 THE PEOPLE ON THESE LINES HAVE SURLY OUR PCS THEMSELVES SO THEY ARE WELL QUALIFIED TO ADVISE YOU



everything.

Late distributions: responsessed phone as 45, August 23.05, 1955. Features directly above in the Edmin Purission Lucius and ASMA, 200000 hand dirt, habits 1800 hand has 5000.05 had another and consistenced similar, it is probable with our Power Sections Pack.

Biomenth NS-7000* 6.5, Villadows*** 3.5, Access** Word for Windows*** and Econd - all Congletos and Rendy for real. It also comes fine on-site maintenance and universed occass to our technical support hotime on 081.457.6666. Microsoft, MS-7005 and Microsoft bred trademarks and Windows IS 2 trademark of Microsoft Corporation.

© THE FINANCIAL TIMES LIMITED 1993 No 32,158 Week No 36

LONDON · PARIS · FRANKFURT · NEW YORK · TOKYO

inti, Cap Mids.

France may veto farm trade accord

By David Buchan in Parts

FRANCE yesterday revived its threat to veto tha European Community's draft farm trade accord with the US unless substantial changes are made to the agreement.

Over the weekend, a senior French official warned that France would tell its EC partners at a meeting of the Council of Ministers on September 20 that France would refuse to sign the Blair House accord unless agricultural discussions with the US were reopened.

"Unless it is now reopened," the official said, "there will be a crisis in September rather than December" - the target date for finishing the Uruguay Round of global trade liberalisation talks.

France in the next few weeks will step up its campaign to persuade the rest of the Community of the need to water down the restraints on European farm exports agreed last November.

Threat of veto marks a toughening of the rhetoric

France wants to secure the support of a majority of mem-ber states at the Council of Ministers meeting. But the prospect of Paris using its veto on the issue marks a toughening of the rhetoric of the Balladur government. In its five months in office, it has sought to negotiate itself out of its isolation on agriculture, rather than publicly brandish its veto.

"If the Commission does not budge," said the official yesterday, "we will invoke the Luxembourg compromise [the convention by which a veto may be used in defence of a vital national interest).

"And if it does not hudge, the Commission, which is charged with the solidarity of the Community, will be responsible for its breaking up.

Mr Peter Sutherland, Gatt's new director-general, is due in Paris on Wednesday to see Mr Edouard Balladur, prime min-ister, and is expected to warn him that re-opening the Blair House accord would be counterproductive for Europe in terms of winning new US concessions, and would cause the Uruguay Round to miss its December 15 negotiating dead-

In Bonn yesterday, Mr Klaus Kinkel, German foreign minister, indicated he hoped France would settle for a reinterpretation of the agreement rather

While Germany has made sympathetic noises over the French position, it has made clear it does not want to reopen the accord.

We have had a delegation of experts in Paris," Mr Kinkel told German radio. "Perhaps we will come to a point through interpretations where a change in the Blair House accord will not be necessary." He added that a solution might be found before the September 20 meeting of EC ministers.

However. Mr Kinkel said he understood France's opposition to the accord, which entails a 31 per cent reduction in subsidised farm exports.

France, which has sought in particular to ensure the agreement is compatible with the EC's own farm reform, is likely to deny the need for haste on agriculture when many nonfarm aspects of the Gatt negotiations are behind schedule. It will try to secure new concessions by putting the onus on other member states more anxious than France about the December deadline.

who are planning mass demonstrations on September 15, are now accusing the government of duplicity, of showing a softer face on Gatt to France's

in the first half.

Labour minister proposes measures to combat France's record unemployment rate Paris seeks pact on flexible working hours

By David Buchan

THE government of Mr Edouard Balladur is to invite France's employers and trade unions to strike an historic bargain on the flexible working of shorter hours, in an attempt to reduce the country's record 11.7 per

cent unemployment rate.
In an interview with the Financial Times, Mr Michel Giraud, France's labour minister, confirmed he would make the proposal when he and Mr Balladur meet employers and union leaders today to get their final views on the government's planned fiveyear labour pact. The bill is shortly to go hefore parliament.

The conservative government has responded to employers' demands for more flexible labour patterns by setting an annual, rather than weekly, cap on working hours. But in a shift from last spring's election campaign, in which it mocked Socialist calls for shorter hours, the government is now inviting employers to join unions in negotiating a reduction in the 39-hour maximum work week.

"I know that many unions are much more positive about the 'annualisation' of working hours if there is the prospect of reducing these hours overall," said Mr Giraud. "If companies which want the flexibility of annualised work limits are ready to make an effort in reducing the length of

Mr Giraud's attempt to reverse France's structural tendency to shed jobs faster and to create employment more slowly than most other leading industrial countries. By July, there were 3.21m unemployed, 21m, with the loss of jobs in the second half of the year still officially forecast to outstrip the disappearance of 175,000 jobs

The labour minister described the priority the government was giving to unemployment as "obsessional", reflecting society's widespread fears about the problem. He cited a recent survey showing that eight in every 10 French schoolchildren feared they would end up in the dole queue.

But in contrast to the piecemeal approach of the Socialist government which produced six labour laws in five years, Mr Giraud claims his catch-all programme for the next five years will tackle France's fundamental problems of high labour costs, inadequate training, and rigid prac-tices, many dating back to the Socialist-led Popular Front of the 1980s and

shift of family allowance charges from the salaries of lower-paid workers to the central state budget, a five-year freeze on new welfare charges on payrolls, and tax breaks for job-creating companies, as well as deregulation. . At the rhetorical level, France's

Measures include a progressive

This suggested trade-off is part of new centre-right government insists on the need for the European Community, even the Gatt world trade organisation, to have social policies. But Mr Giraud says: "I am a liberal, and we don't want to put social policy handcuffs on ourselves, or others."

In domestic political terms, Mr Giraud, a member of the RPR Gaullist party, insists that he is in no way attacking France's "essential social achievements". Indeed, he says he would like to see stronger unions in France, and in the priority which be and Mr Balladur have given to "social dialogue", the unions "have a chance to reinforce themselves". He does not, for instance, like to alarm the unions by using the word "flexibility" too

But he clearly approves of the concept. In May he proposed the govern-ment should step in to help compensate workers who took pay cuts to avoid redundancies. He had to withdraw the idea when some companies were believed to be making false threats of job cuts to get the state to pay part of their pay cheques. However, his five-year plan contains a clever modification of something even more sensitive - France's minimum wage, the Smic, which many experts feel has helped price low-skilled work-

ers out of the job market. We are not touching the structure of the Smic," says Mr Giraud. "To do that would needlessly stir up a con-

Ciraud: wants stronger unions

frontation." But the new law would allow companies to pay young workers below the Smic rate, if they devote most of the saving to training the lower-paid young. Another move would be to start schoolchildren on "pre-apprenticeships" from the age of 14 instead of delaying all vocational/ manual training until they leave school at 16.

France still has no fewer than 72 labour laws dating from 1936-37, and many of these need updating, says Mr Giraud. One of these is a 1937 law

which, for hank employees, still decrees two consecutive days of rest. This means most banks cannot open on a Saturday without closing on a Monday - except for Credit Agricole, which is now France's largest commercial bank hut before the war was a closed mutual association.

Another anomaly, common to all European countries, which Mr Giraud hopes he can settle is Sunday trading. The Virgin Megastore on the Champs Elysées has brought this issue to a head by defying the 1906 law against Sunday opening. Essentially, Mr Giraud is passing this buck to local prefectures, but with the clear indication that they should let shops in tourist spots open on Sundays.

"Against clandestine employment, I am totally inflexible," says Mr Giraud, complaining that companies which fail to give their workers proper pay and social protection "distort competition" against law-abiding

companies. But a subtler way of discouraging travail noir is the draft law's new experiment of "ticket-service". The idea is to encourage people into the provision of part-time services, such as running errands for the elderly, and being paid for these services in tickets bought at post offices. "There's nothing wrong with services," insists Mr Giraud, seeking to reverse his countrymen's tendency to think that only production counts.

Report predicts further rises for D-Mark

James Blitz on the likely effects of repaying Bundesbank for intervention

HE French franc, Danish krone and Belgian franc have weakened in recent weeks against the D-Mark, as currency dealers take tha view that their central hanks need to reduce short-term interest rates to stimulate economic growth. But foreign exchange ana-

reserve operations, in the wake of the Meanwhile, French farmers, recent crisis in the European

partners than to France's farm-

The central banks of France, Denmark and Belgium need to buy D-Marks from the foreign exchange market to repay the Bundesbank for supporting their currencies through intervention during last month's ERM crisis.

lysts believe these currencies could come under more pressure in the next few months as a result of their central banks' deadline of mid-November. management

exchange rate mechanism. In a report published today, fdea, the market intelligence group, says reserve management should strengthen the D-Mark over the next few

what impact this will have.

Under ERM rules, the Bundesbank would need to be repaid within three months of the intervention, giving these central hanks a repayment The central banks also need

to build up their foreign exchange reserves if they are to regain control ovar short-term movements in their the report's anthor. currencies' exchange rates. In France's case, these reserves were heavily depleted at the beight of the crisis. As they buy D-Marks and

sell their own currencies, central banks will tend to have an impact on short-term movements in exchange rates. Foreign exchange dealers, therefore, have been wondering

Idea calculates that there are likely to be some DM75hn (£30bn) of D-Mark purchases by European central banks over the next six months, "To place these flows in perspective, central banks are likely to effectively finance more than two years worth of German current account deficits in the next six months," says Mr Alan Ruskin,

The report suggests that these operations put a cap on the value of the dollar against the D-Mark. But their impact on European currencies will

depend on exactly how the central banks manage their reserve building operations. ldea's report says the Bund-

esbank and the Bank of France could, hetween them, hny DM91bn of the German currency and sell FFr320bn (£36.6hn) of the French currency, in a move that would greatly strengthen the D-Mark's rate against the French franc.

But both central banks could diversify the operations, using other currencies to cap the rise in the D-Mark. Instead of huying DM91bn, they could, for example, buy \$10bn (£6.5bn) of the US currency and DM76bn of the German. "The net effect is still very D-Mark positive," says Idea.

The report suggests the

scopa for central banks to recoup reserves without hurting their currencies will be far more limited than in previous crises. In the old ERM system, there was a propensity for the newly devalued currencies to move towards the top of their ERM hands after a realignment, on the expectation that the new bands would last. This time, the widening of the ERM bands and the expectation of interest rate cuts means the value of these currencies will weaken in any event.

The reserve transactions of the central banks could also be difficult to interpret if the French authorities take advantage of provisions to roll forward borrowings under the EC's very short-term financing

THE FINANCIAL TIMES
Published by The Financial Times
(Europe) GmbH, Nibelungenplatz 3,
60318 Frankfurt am Main, Germany.
Telephone ++49 69 156 850, Fax ++49
69 5964481, Telex 416193, Represented
by Edward Hugo, Managing Director.
Printer: DVM Druck-Vertrieb und
Marketing GmbH, Admiral-RosendahlStrasse 3a, 63263 Neu-Isenburg towned
by Härriyet International).

Strasse 3a. 63263 Neu-Isenburg (owned by Härriyet International). Responsible Editor: Richard Lambert, do The Financial Times Limited. Number One Southwark Bridge. London SE1 9HL UK. Shareholders of the Financial Times (Europe) GmbH are: The Financial Times (Europe) Ltd. London and F.T. (Germany Advertising) Ltd. London. Shareholder of the above mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. The Company is incorporated under the Ews of England and Wales. Chairman: D.C.M. Bell.

FRANCE Publishing FRANCE Publishing Director: J. Rolley, 163 Rue de Rivoll, F-75044 Paris Cedex 01, Telephone (01) 4297-0621, Fax (01) 4297-0629, Printer: S.A. Nord Eclair, 1521 Rue de Caire, F-59100 Roubgix Cedex 1, Editor: Richard Lambert. ISSN: ISSN 1145-2753. Commission Paritaire No 67808D.

Financia Times (Scandinavia) Ltd. Vimmelskafted 42A, DK-1161 CopenhagenK, Telephone 33 13 44 41, Fax 33 93 53 35.



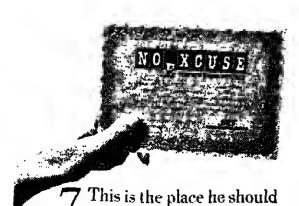
This is the business traveller who made a mistake.



This is the bed they said was 5. a queen-size.



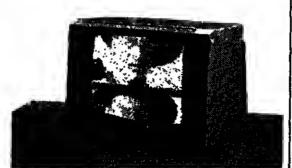
This is the important paper 5. that wasn't delivered.



have stayed.



Here is the place he realised it.



This is the movie they showed on TV.

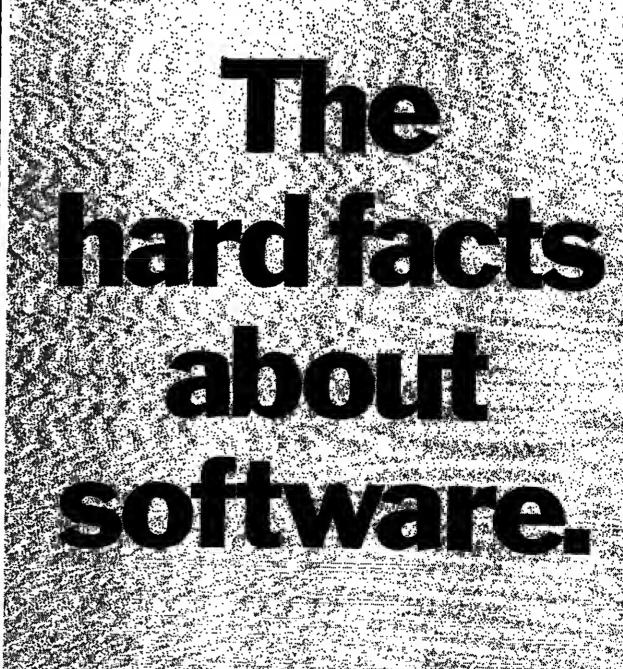


This is the important paper O. he couldn't find.

Next trip, guarantee yourself a perfect stay with SAS International Hotels. Our "No Excuse" guarantee means that if there is anything wrong with your room we'll fix it or provide you with a new room within 60 minutes - or you stay fur free. That also applies to prompt delivery of messages and faxes.

A perfect room, guaranteed. Just one more way we're working to make your business travel easier.

Becausé business travel is tough enough.



In our Software at Work Survey there are in-depth reports on Teleworking, Facilities Management and Rapid Application Development, plus all the latest in software and computing.

The Software at Work Survey in Wednesday's F

So If you want to be in the know about software, read the Software at Work Survey in the Financial Times on Wednesday,

You'll find it very user-friendly. FT. Because business is never black and white. is the to a leave against the leave against the

the management

: ::...<u>+</u>

3 double --

into the

7 (F. 162) . 304

- Front

- - tie pur

to think than

 $v=m_{\rm S}$

(A.555)

Property Mr

-3cay,

Ericsson set to win Polish telecoms deal

By Christopher Bobinski

ERICSSON, the Swedish telecommunications company is expected to win a \$100m (266m) defence telecommunications contract from Poland. It is the country's first such con-tract to be awarded to a supplier outside the former Warsaw Pact.

. Mr. Roman Czerwinski, a deputy industry and trade minister, said at the weekend at an arms exhibition in Kielce that the government would be taking the decision this week.

Under the contract Ericsson which was competing with Marconi and Racal of the UK. would produce mobile radio network equipment under a joint venture with the Unimor factory in Gdansk. Deliveries are to be spread out until the year 2000.

Ericsson has so far failed to win big contracts to snpply civilian telecommunications equipment to Poland. Under the country's World Bank-financed programme most of the telephone systems in the longer term are to come from three suppliers, of whom two. Alcatel of France and AT&T. the US gronp, have already been chosen. Siemens of Germany and Northern Telecom, the Canadian company, are competing to become the third

Inflation

down but

strong in

Greece

Unimor, which makes TV sets, would control two thirds of the equity in the proposed joint venture with Ericsson. involving a \$25m investment in new technology.

Meanwhile Bofors, another Swedish company, is renewing pre-war links with Huta Stalowa Wola, a large defenca works in south eastern Poland which has for over a year been selling components for production of Bofors' 40mm gun sys-

Talks are under way on a co-operation agreement to pro-duce entire turrets for an armoured combat vehicle at the Polish works.

Bofors is also looking to the Mesko arms works to provide parts for its Bill anti-tank missile. Mesko already has a barter agreement with Thomson-CSF, the French arms group which is delivering artillery fuses to the plant and is also interested in co-operating in production of rockets and

rocket systems. The Kielce arms fair is the first of its kind in an area where around four-fifths of Poland's arms industry is located. The industry is suffering from a dearth of orders from the Polish army as well as a collapse of former Soviet bloc markets. However, British and US arms producers were conspicuous at Kielce by their

Lira fall boosts Italian exports

By Kerin Hope in Athens

GREECE'S year-on-year inflation rate dropped to 14.6 per cent last month, from 15.7 per cent in July, raising hopes that the government's target of 12 per cent by December can be achieved.

Although the inflation rate has gradually declined from a peak of 16.4 per cent in March. it is still more than four times the European Community

Progress in reducing inflation has been slower than expected, partly because of the effects of price liberalisation in tha services sector.

The Organisation for Economic Co-operation and Development points out, in a new report on the Greek economy, that "inflation expectations remain strong", despite a marked decline in both the public sector horrowing requirement and the current account deficit.

The report said exchange rate policy should be reformed hy announcing in advance the deprecietion rate of the drachma against other European currencies, so as to "reinforce confidence in the government's anti-inflation posture."

The report forecast that Greece's gross national product would grow by about 1 per cent this year, down from 1.25 per cent in 1992 but ahead of the European everage. However, it warned that the

government could not afford to relax its stabilisation policy before an election due by next spring. Revenues for the first eight months of 1993 fell well short

of the budget target, despite the Finance Ministry's efforts to curb tax evasion and speed collection of tax arrears. According to the national accounting office, revenues

rose by 13.4 per cent against e

budget forecast of 26.4 per cent.

competitiveness of Italian exports, as a result of last September's lira devaluation, has been confirmed by statistics just published on trade for the first six months of 1993.

exports rose 19 per cent. Within the EC, tha increase was lower, at 11 per cent. This reflected both the depressed mies and fierca competition from other exporters, such as the UK, which have also seen currencies depreciate sharply.

Even so, with the EC absorb ing almost 60 per cent of Italian exports, the impact on Italy's terms of trade was significant. More exports, combined with its recession-hit economy, ensured a sharp

Istat, the national statistics institute, said Italy recorded a half-year overall surplus of L8,611hn (£3.6bn), against a L13,647bn deficit for the 1992 first half. The rise is reflected in an improved performance in all product sectors.

On a country basis, the most spectacular change has been in Italian-German trade, as a result of a 30 per cent devaluation of the lira against tha D-mark. In the first half Italy recorded a surplus of L2,734bn with Germany, its main trading partner, compared to a deficit of L3,995bn during the equivalent period in 1992. Also, given a strong depreciation against the French franc, Italian exports moved from a L1,689bn deficit to a L970bn

partner in the EC.

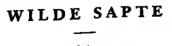


By Robert Graham in Rome

In this period, Italy's total

turnround in trade balance.

In the case of the UK, the increase was substantial, but lower than those of Germany and France. The trade balance with the UK increased from a L238bn surplus to L1,453bn. The UK is Italy's third largest



Solicitors

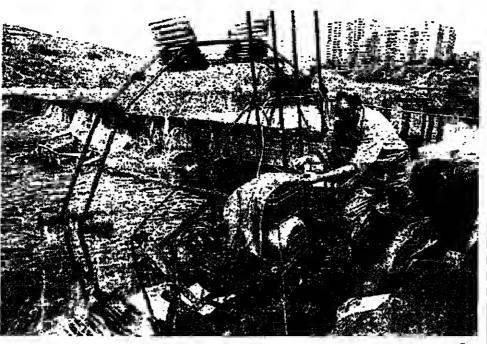
unce the opening today of the firm's Tokyo office at

2nd Floor, AIG Building 1-1-3, Martmouchi, Chiyoda-ku Tokyo 100, Japan tone: 81 (3) 3215-3801, Facsimile: 81 (3) 3215-3868

> ワイルド・サプト法律事務所は 本日上記において東京事務所を 捌設いたしました。

For further information please contact Richard Pell-Uderson 詳しくは、リチャード・ベルイルダートンまでご連絡ください。

LONDON NEW YORK TOKYO PARIS BRUSSELS



with electricity and overcome the near-constant blackouts in the besieged city

Mostar evacuation delayed

THE evacuation of some 50 wounded Mosiems from the eouth-west Bosnian city of Mostar was postponed yester-day for the second day running, Bosnian radio reported, Reuter reports from Sarajevo.

The radio reported yesterday evening that a general alert had been called in Mostar, where it said the besieged Moslem sector on the east bank of

the Neretva river was being attacked by Croatian forces using multiple-rocket launch-Croatian radio said the evac-

postponed until today because of weather conditions. However, a Reuter fournalist in Medjugorje, near Mostar. quoted members of the United Nations Spanish hattalion deployed in the area as saying

uation from Mostar had been

UN troops were ewaiting the arrival of Bosman helicopters that would fly the wounded to Moslem-held towns.

The evacuation from Mostar was arranged hetween Moslems and Croats in exchange for the airlifting of wounded Croat soldiers and civilians from Nova Bila in central Bosnia, where fierce fighting is raging between the two former

dispute under fire

THE HEADS of two German car companies at the weekend criticised the public row between rivals Volkswagen and US-based General Motors over alleged industrial espio nage as being damaging to the industry generally, Reuter

reports from Frankfurt. Mr Bernd Pischetsriader, chairman of BMW, told Die Welt nawspaper: "There is much more at stake than a loss of image for the automotive industry. Industry leaders in general are coming under fire." Separately, Mr Wendelin Wiedeking, chairman of German luxury sports car maker Porsche, criticised the public nature of the VW-GM dispute.

"It would be better for the whole of the automotive industry if the dispute between VW and Opel had remained in internal channels and not been fought in public," Mr Wiede-king told the Stuttgarter Zeitung newspaper on Saturday. GM and its German subsid-

iary Adam Opel have accused Mr José Ignacio López de Arriortúa, VW's production chief, and other former GM managers of taking confidential documents from the US group when they switched to VW this year. Mr López and the others deny the charges.

GM-VW | Ukraine deal with Russia under attack

By John Lloyd in Moscow

OPPOSITION is growing to Ukraine's agreement to sell its half of the Black Sea Fleet, and to return its nuclear warheads, to Russia. Ukraine has thereby put itself into political crisis. The agreement, announced by President Leonid Kravchuk

and President Boris Yeltsin after talks on Friday, was denounced over the weekend by a Ukrainlan minister, Mr Valery Shmarov. It was described by a deputy premier as "nothing short of a disaster" and by Mr Vyacheslav Chornovil, head of the nationalist

opposition party, Rukh, as high treason" Mr Kravchuk himself partly lefended, partly denied, his alleged agreement to the deal. General Konstantin Morozov, defence minister, said yesterday thet no agreement on the sale of the Ukrainian fleet had yet been concluded. Mr Kravchuk stressed that details of both the sale of the fleet and

Mr Yeltsin said after the

the transfer of the warheads

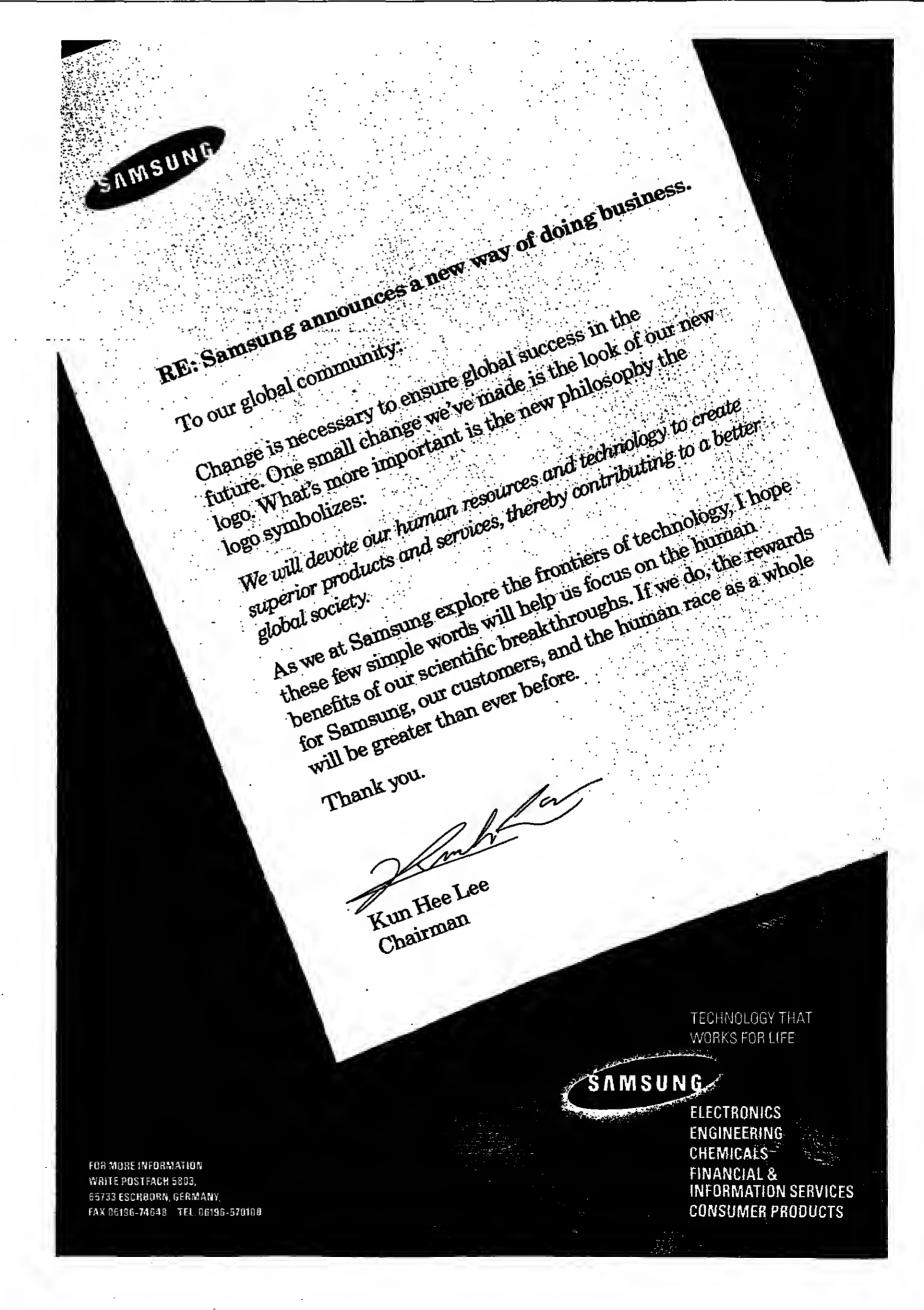
had to be worked out by joint

meeting that the cost of the fleet would be set against an estimated \$2.5bn which Kiev owes to Moscow for oil and gas

supplies. The Russian president, in a television interview on Saturday, rubbed the message home by saying that Ukraine's sur-- agreed to be split last year was "forced but inevitable". The costs, he said, "will have to be reckoned up. But we have done our own reckoning already. We aren't losing by it, and we'll have our own fleet". Mr Kravchuk, who has appeared in the past month to switch from a line generally

hostile to Russia to one where he favours closer integration now feces the hardest chal-

lenge of his political life. Confronted with 40 per cent inflation, falling production and growing unrest in the industrial areas - especially in the Donhass coal and steel region - he must now garner support for a policy of allegiance with Russia, and a loss of some of the strongly-expressed independence whose spokesman he has been.



Telewicking.

the meet in

lare at Work

Arafat steps up drive to win Arab backing

By Lamis Andon! in Amman and Mark Nicholson in London

MR YASSIR Arafat, Pales-Organisation intensifying efforts to win Arab support for his outline deal with Israel. and to reach an accommodation with Palestinian opposition to the plan, before he signs the historic accord.

Mr Arafat et the weekend secured backing from the leaders of the mainstream Fatah faction in the PLO and won full public support from King Hussein, the Jordanian ruler, who had demurred st the pact, largely in anger at having been

left out of its formulation. Yesterday, the Palestinian leader arrived in Damascus for the most important leg of his present tour of Arab capitals.

In Syria, Mr Arafat will try to talk President Hafez al-Assad out of any reservations he may have over the outline agreement on Palestinian self-rule, and will address opposition to it among the radical Palestinian factions based

Mr Assad has still made no formal comment on the proposed agreement, although dip-

Arafat's refusal to consult Damascus during the secret negotiations leading to agreement with Israel.

The Syrian leader has always sought to exercise strong influence over the pace and course of the Arab partners' negotiations with Israel, and the surprise announcement of a separate PLO deal with Israel will have come as a severe shock.

But Mr Assad's approval could also be vital to softening resistance within the 10 Damascus-based Palestinian opposition groups to the deal something which in turn would ease Mr Arafat's task of pushing the deal through the PLO's broader decision-making

Israeli and US officials are eager to see the outline accord signed as soon as September 13, but Mr Arafat seems in no rush to conclude, nor even to win formal Israeli official recognitioo of the PLO, before he has secured strong Arab backing and an accommodation with Palestinian opposition

Broadening Palestinian back-ing is particularly important since Mr Arafat's own Fatah faction stipulated, after three days of talks last week, that

lomats suggest that the Syrian the PLO-Israel deal must be leader was affronted by Mr ratified by the PLO central council, the 100-strong body which represents most strands within the Palestinian movement. A meeting of the group is likely to he called within

> Mr Arafat still has to contend with intense debate within the PLO over how to accommodate Israeli demands without undermining tha credihility and legitimacy of tha organisation among the Palestinian people.

Some PLO officials argue that to meet Israel's terms would require modification of the 1968 PLO charter, articles of which in essence call for tha destruction of Israel. But Mr Arafat is likely to try to avoid this, since any such amendments would require conven-ing the 400-member Palestine National Council, the movement's parliament-in-exile. which would provide a potent forum for opposition to the outline deal with Israel. Instead, Mr Arafat is work-

ing on a draft statement which would trigger Israeli recognition of the PLO, basing this on the argument that the charter has been superseded by events and hy previous Palestinian resolutions accepting the exis-

Milk, honey, razor wire

Julian Ozanne and Andrew Gowers in an unlikely Promised Land

IT TAKES imagination to conceive of the Gaza Strip 360 square kilometres of des ert dotted with squalid Palestinian refugee camps and shanty towns - as the Promised Land. But that is what it has become for 5,000 Jewish settlers who live there in redtiled homes surrounded by

well-tended lawns.

Mediterranean waves break
on deserted beaches, and fields full of ripening vegetables and high-tech glasshouses spront from the parched sand dunes A horse ranch offers ponytrekking for tourists, and Jewish settlers say they never lock their homes and caravans. The Palm Beach Hotel, which caters for ultra-orthodox Jews, even has a coffee shop called Milk and Honey.

The seeming idyllic life enjoyed by Jewish pioneers who have settled beyond the

PLO supporters backing the peace plan brandish pictures of Yassir Arafat at a West Bank refugee camp yesterday families who made a last stand

"Green Line" dividing Jews and Arabs is slightly surreal, however. The coils of razorwire and alectrified fences, and the revolvers on the hips of many settlers, serve as reminders of how tenuous life has been in the settlement of Gush Katif, surrounded by 800,000 Palestinians.

Now, under a plan for Palestinian self-rule agreed in prin-

ciple by Israel and the Pales-tine Liberation Organisation, the settlers of Gaza face an uncertain future. Many see history repeating itself. They predict that they will be sacri-ficed in the end by the govern-ment – just as the settlers in the Egyptian Sinai desert were when Israel, in 1978, handed back the land it had captured in 1967. (At least 70 of the

of civil disobedience et the Yamit settlement in the Sinai, before being forcibly evacuated by Israeli troops, now live in Gush Katif.)
"Morale could drop and peo-

ple will leave, so the government hopes it will have less of a problem down the road get-ting the rest of the Jews out," said Mr Yosef Shomron, an American who settled in Gush Katif nine months ago, for a mixture of ideological and economic reasons.

"We are very angry and upset by the plan. There will be resistance to leaving, like in Yamit, and one or two guys might go and shoot – but Jews won't fight against other Jews, There will be no cult of violence," ha said, sitting outside his prefabricated home.

Mr Shomron supports the Kach movement, which wants to transfer all the 1.9m Palestinians out of the occupled territories. Others oppose the self-rule plan for religious reasons. They believe that Gaza, **Jndea and Samaria (otherwise** called the West Bank) are part of the hiblical Eretz Yisrael (land of Israel).

There will be no peace. Arab will kill Arab and they will turn their violence against the Jewish state," said Mrs Roberta Bienenfeld, a are Jews."

translator who has lived here for 12 years. "God is taking his revenge against the state of Israel and all its unbelievers. We hope the plan won't go through so we can keep land that God gave us."

Some settlers are more prai matic. Mr Michael Gold-schmidt, an immigrant from South Africa and one of the founders of Gush Katif, has invested more than Shklm over 16 years in an agricultural business growing cherry tomatoes and flower hulbs in greenhouses for export to the US and Europe. He said he would be prepared to leave if the agreement with Palestin-ians delivered real peace to Israel". "We are very happy here but we will have to give up one day," he said, watching a group of Palestinian workers wash his flower bulbs.

But even more moderate settlers, such as Mr Goldschmidt, are bewildered by the agreement: "We huilt everything here out of sand. It was nothing before we came, Why do we have to give it np? We fought for it and captured it. Israel is a small country there is no gold here, so why do the Arabs want our land? We have nowhere else to go. But we have to give it back because we are weak and we

Debt rescheduling 'urgent' for Algeria

By Francis Ghilès

MR Mourad Benhachenhou, a strong believer in the need to reschedule Algeria's \$26bn (£17bn) foreign debt, was appointed at the weekend as finance minister in the Algerian government of Mr Redha Malek, named prime minister

two weeks ago. Mr Benhachenhou was Finance Ministry sec-retary-general in the 1970s and Algerian representative at the World Bank. After eight years there, he was sacked in the spring of 1991 and conducted a vitiolic campaign in the Alge-rian press against the team which, around Mr Mouloud Hamrouche, then prime minis-ter, had launched radical reforms in 1989-1991 aimed at freeing the management of the country's economy.

The new minister recently wrote: "Rescheduling becomes urgent, of little cost if you compare it to the alternative of total economic collapse threatening our country if the self-imposed policy of strangulation continues."
Talk of rescheduling the

country's foreign debt has long been a taboo in Algeria. Seeking an accommodation with the International Monetary Fund and leading creditors such as France is the most urgent task confronting the new government - annual repayment of principal and interest payments absorb three quarters of Algeria oil and gas export income.

Mr Benhachenhou is one of

two key appointees to the new government after the sacking of Mr Belaid Abdessalam as prime minister. Colonel Selim Saadi, a respected former militure minister, takes on the interior portfolio. He is a close political friend of Mr Malek. General Lamine Zeroual retains the defence portfolio. The new minister of energy is

the former deputy finance min-ister, Mr Ahmed Ben Bitour, while the foreign portfolio goes to Mr Mohamed Salah Dembri. a diplomat and former profes-sor of French literature.

Nigerians killed in Somalia

peace-keeping troops with the UN and at least 15 Somalis, some of them women and chil-dren, were killed yesterday when a patrol tried to shoot its way free of gunmen loyal to the Somali warlord General Mohamed Farah Aideed, Reuter reports from Mogadishu.

Somali gunmen also cap-tured two Nigerian peace-keepers in the worst attack on the 25,000-strong UN army in Somalia since August 8, when four US troops were killed in an ambush.

The Nigerians, who had been surrounded by angry Somalis along a city road, were killed before they could retreat, resi-dants said. Nearby Italian other UN troops were reported as having been prevented from helping them by burning bar-ricades and mobs.

The latest attack raised the UN deeth tell to 40 rised the

UN death toll to 46 since June 5, when Gen Aideed's support-ers killed 24 Pakistani UN troops at the start of a campaign against UN control of Somalia's rehabilitation.

Strikes paralyse Malawi

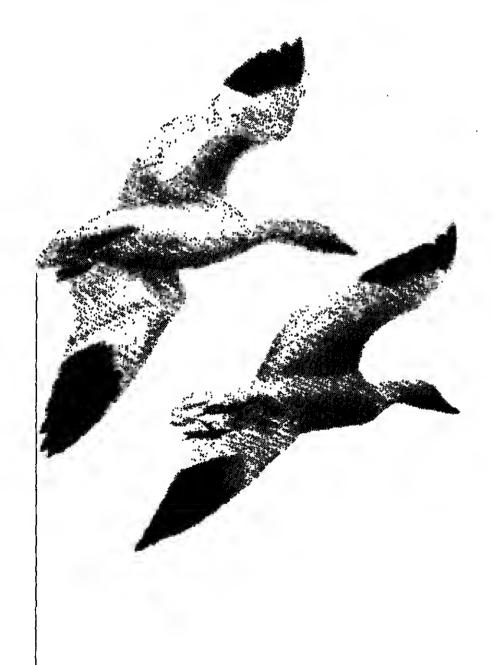
A WAVE of public sector strikes has brought ministries, hospitals and airports to a standstill in Malawi. Post office and telecommunications workers are threatening to join the dispute this week, writes Nicholas Young in Lilongwe. Civil servants demanding wage rises of more than 100 per cent have been on strike since

Thursday, and Lilongwe airport remains closed after action by traffic controllers. The government claims to have a settlement with health workers, but clinical officers at Blantyre's Queen Elizabeth

Hospital say they are treating only emergency cases, and hos-pital administrators are in dispute with management. Popular expectations have

been raised by the result of the referendum in June on Malawi's constitutional future. A majority voted in favour of a multi-party system of government. President Hastings Banda's Malawi Congress party, in power for 28 years, is negotiating with opposition groups a

Since 1796*, we have taken a certain pride in believing that freedom is man's greatest achievement.



managed estate is one way to assure the best possible conditions for enjoying freedom. Like all worthwhile endeavours, it is earned, it is protected and it is developed. Since 1796, Geneva's private bankers have been engaged in the independent and responsible management of private and institutional portfolios. Since 1796, they have been active in preserving individual freedom.

A professionally

* The year the first bank in the Groupement des Banquiers Privés Genevois was founded by Henry Hentsch.









GROUPEMENT DES BANQUIERS PRIVÉS GENEVOIS A vision of liberty

In Geneva:

BORDIER & Cie - DARIER, HENTSCH & Cie - LOMBARD, ODIER & Cie - MIRABAUD & Cie - PICTET & Cie

Clinton goes campaigning on all fronts

President is trying to make up for time lost on the budget battle, writes George Graham

PRESIDENT Bill Clinton's first 100 days in office bogged down September 22. Mr Clinton will white House officials say around 100 days in office bogged down announce the outlines of his propositive two-thirds of Mr Gore's proposals however, that Mr Gore wants to avoid overreaching and will claim pass his budget. Now he has set himself an ambitious autumn agenda to make up for lost time, and even his most resolute supporters are wondering if he has the capacity to carry

Congress returns to Washington this week to wrap up the unfinished business of its last session - the confirmation of Dr Joycelyn Elders to be surgeon general, and a new national service programme - and already Mr Clinton is preparing to put more indigestible meat on its

Tomorrow, Vice-President Al Gore will unveil the results of his review of the federal government's managements structures and procurement processes, a report dubbed Reinventing Government" which is expected to produce substantial savings as well as civil service job

Next week, the White House is expected to submit to congress legislation implementing the North American Free Trade Agreement with Canada and Mexico, raising the curtain on a battle that has already bitterly divided the Democratic

Trace Also has lived been

God is taken to said the said the said to said the said th

pian won't b

the can been to

School Strange us.
Sichael Gelt
School Strange for

and one of the

125 .- (- 2 1200) (han Shin

Owner (A venty in an agrical Salva and the Read Sparing count

Alexander to the

L'S and harmer He said b

manufacture properties to leave it

the date of the with Palesto

tern happy

1216 to gro

A Criscal Control State States

Harris and making

tir to the Criticiand

atte im in the state

fraction West 2010 everything freie li was mor

174 70 11 100 .47e. Why 8

from the second of a captured g

1000 The second

ವೆಟ್ (೧೯೯೬ - A2) 69: <u>bæ</u>

Rut : Die n te

:heduling

or Algeria

115 2

......

::::

.

wash an ing cabl

Just one week later, probably on prospects of immediate dividends.

als for reforming the US bealth care system - a massive undertaking that many politicians believe would on its own amply occupy a whole presidential term.

And foreign affairs may demand Mr Clinton's attention, with the pos-sibility of a Middle East peace agree-ment, the likelihood of continued grief in Bosnia, and the challenge of his first speech to the United Nations general assembly.

Mr Clinton on Saturday defended

his determination to advance on all fronts at once.

Health security, expanded trade and reinventing government really aren't separate goals. They are part of a comprehensive strategy to promote long-term growth, increased incomes, more jobs and a stronger American community," he said in his weekly radio speech. "These pieces must all fit together."

But critics say that by trying to play too many tunes at once, Mr Clinton may be ignoring a lesson most Americans learn before they are six from "Sesame Street", the educational television programme: you've got to put down the ducky if you want to play the saxophone.

The Gore report offers the best

can be implemented by executive avoid overreaching and will claim order, without going through Con-

But elements which would require legislation - such as a proposal to move the federal government to budgeting over two years rather than one, as 21 states already do - are unlikely to make any headway in

Critics say the president is attempting to play too many tunes at once

Congress Perhaps the greatest danger of the Gore report is excessive expecta-

The Washington Post reported yes terday that Mr Core would aim for savings of \$108bn over five years, including \$22bn from simplification of government purchasing rules. It also said 252,000 civil service jobs would be eliminated, with "huy-out" incentives offered to encourage voluntary departures.

much smaller savings, as well as warning that it will take years to implement all of his proposals.

The review is expected to recommend halving middle management, aiming for a ratio of one supervisor to every 15 workers, instead of the current ratio of nne to seven. Nafta is a much more controver-

sial element of Mr Clinton's eutumn agenda. Many of his fellow Democrats hotly oppose the treaty, which they believe will lead to the transfer of US jobs to Mexico. Even those whn support Nafta in

the abstract wonder why Mr Clinton should waste political capital fighting for a treaty negotiated by his predecessor, alienating in the process important Democratic constituencies such as the trade unions. Mr Robert Matsui, the leading Democratic cheerleader for Nafta in the House of Representatives, com-plains that even his wife, who heads

White House efforts to rally grassroots support for the treaty, will not say Nafta is her number one priority. That number one priority for most Democrats, including the White House, is healthcare.

The reform may be controversial ton when the Many Democrats still favour a his proposals.

national system like Canada's rather than the managed competition espoused by Mr Clinton, under which employers would be encouraged to group themselves in purchasing co-operatives in the hope that they will be able to negotiate cheaper and more comprehensive

insurance. Elements of the plan are likely to face fierce opposition from businesses, trade unions and industry lobbies, but health care reform is absolutely essential to Mr Clinton's programme – the country demands it – and he should receive support in Congress not just from the core of his fellow Democrats but from many Republicans.

The biggest doubt about Mr Clinton's ability to reach these separate goals stems from the political style he displayed in his first six months. His willingness to compromise if opposed has encouraged most members of Congress - not just political heavyweights like Senator Sam Nunn of Georgia but novices like Senator Patty Murray of Washington to believe they can safely humili-ete the president in any trial of political wills.

That belief may now be impossible to dispel, and will handicap Mr Clinton when the time comes to fight for



NEWS IN BRIEF

GDP up 10.4% in Malaysia

MALAYSIA'S gross domestic product grew by 10.4 per cent in the second quarter, writes Kieran Cooke in Kuala Lumpur. This compares with 9.6 per cent in the same period last year and 7.6 in the first quarter, according to the central bank. Growth for the year could now average out at more than 8 per cent, analysts think.

Manufacturing output rose 17.4 per cent in the second quarter.

Agricultural production went up 8.1 per cent, mainly thanks to

US textiles demand angers China

China has said US demands for stricter penalties in a new textiles agreement violate bilateral and international trade pacts, AP

reports from Beijing.

Ms Jennifer Hillman, of the US trade representative's office, said on Saturday that China must crack down on transshipment of its textiles through third countries before a new agreement could be reached. Otherwise, the US could limit textile imports unilaterally whenever Chinese goods were found to cause market

Argentina records zero inflation

Argentina's inflation rate fell to zero in August, its lowest level in 25 years, writes John Barham in Buenos Aires. Inflation so far this year has fallen to 5.8 per cent - almost a third less than in the first eight months of last year - and official forecasts put next year's inflation rate at 45 per cent.

New banks to open in Mexico

Mexico has approved the charters of five new commercial banks in an attempt to increase competition in the nation's recently privatised banking system, writes David Lubnow in Mexico City. The new banks are Banco Inbursa, Banco Promotor del Norte, Banco Interacciones, Banco Quadrum and Banco Mifel. All except Banco Promotor del Norte are eyeing the nationwide market.

California plans earlier primary ballots

By George Graham in Washington

CALIFORNIA plans to bold its presidential primary ballot earlier in the year, heralding a profound change in the shape of future US elections.

The state senate last week voted for a hill that would move the primary to March from June, and both the assembly and Governor Pete

By Alan Friedman in New York

THE CLINTON administration

is moving ahead with a broad-

ened investigation of the US

role in Iraq's arms procure-ment network and has not

ruled out the possibility of

paming a special prosecutor, a

senior Justice Department offi-

Mr John Hogan, a special assistant to Miss Janet Reno.

the US attorney-general, said

cancel the Iraqi loans trial

involving the Atlanta branch

of Italy's Banca Nazionale del

Lavoro (BNL) should not be

seen as ending US efforts to

probe arms-to-fraq charges.

cial said at the weekend.

Wilson are expected to give their approval this week. Although by far the most populous state, California has had relatively little impact on the selection of presidential candidates in recent years,

because its primary has been

one of the last to take place, nsnally after each party already has a clear winner. The truth is California has essentially been left out of the

go on despite trial move

going one dealing with the

Iraqi procurement network and

concerning anyone involved,

whether in government or out, whether a current or former

official," he said. Mr Hogan,

who also beads the Clinton

administration's inter-agency

BNL task force, stressed that

recent US media reports sug-

gesting a special prosecotor bad been ruled out were

wrong. He said: "No determina-

Democratic members of Con-

gress last year demanded the

naming of a special prosecutor

to examine allegations that

Bush administration officials

had been involved in criminal

tion has been made yet."

presidential nominating process since 1972. It's the hig-gest, most diverse and arguably the most important state, and it would certainly diminish anything else happening in March," said Mr Bill Carrick, a Democratic political strategist who has worked on both presidential and Californian

The March 26 date chosen for 1996 would probably still

with US policies towards Iraq.

The Bush administration

rejected the idea shortly before

leaving office, but President Bill Clinton promised that Miss

Reno would re-evaluate the

Last Thursday, an agreement

was reached allowing Mr

Mr Drogoul, who made \$5bn

(£3.3hn) of loans that helped to

finance Iraq's nuclear and

chemical weapons pro-grammes, had been due to

stand trial this week.

put California's primary later than the Super Tuesday clus-ter of southern states, and later than Illinois and Michigan, but before several important states such as New York, Pennsylvania and Ohio.

"Two weeks after Super Tuesday and one week before New York - it'll be hig," said one California state Republi-

can party official.

Mr Bob Mulholland, of the

believes other states will fol-low California's lead and hold their primaries earlier, effectively compressing the entire nominating process into three months.

"If in 1996 we have a primary season running from Fehruary to early April, I think that's good for every-

US Iraq arms probe will Sihanouk may return to throne

By Victor Mallet in Bangkok

PRINCE Norodom Sihanouk, Cambodian head of state, may be reinstated as king under a constitution to be adopted next week. After a weekend of confusion, palace officials yesterday released a faxed letter from Prince Sihanouk to his Christopher Drogoul, the for-mer BNL Atlanta manager, to plead guilty to only three of the original 347 charges son suggesting he might be persuaded to ascend the throne.

Prince Sihanouk yesterday sion made only hours earlier to sever ties with the United Nations Transitional Authority in Cambodia (Untac). UN officials and western dip-

Source: OECD, FT calculations

the new constitution being drafted by parliament after UN-organised elections in May will not do enough to uphold democracy and human rights. Before his overthrow in a coup d'état in 1970, Prince Siha-

nouk was known for his paternalism and cavalier treatment of democratic institutions. His friendships with the leaders of North Korea and China, where improved his international reputation.

ated by his frequent changes of

direction, but concerned that

He is now in Beijing, and has invited the Untac chief, Mr Yasushi Akashi, to meet him there on Friday.

Japan set to lower interest rates

By Robert Thomson in Tokyo

THE BANK of Japan is on the verge of reducing official interest rates in an attempt to stimulate an ailing economy and restore consumer and corpo rate confidence.

After an apparent leak from the central bank, Japanese media widely reported yester-day that the official discount rate (ODR) would this month be cut from 2.5 per cent to 2 per cent, a post-war low.

The bank is scheduled to release its quarterly survey of business, the tnnkan, this week, and henk officials are concerned that a lack of confidence in the economy is prompting companies to cut capital investment targets. Mr Yasushi Mieno, the

bank's governor, is known to be reluctant to set e new ODR low, but the recent apprecia-tion of the yen has further undermined corporate confidence and delayed a recovery. Japan's new coalition gov-ernment has been urged by husiness groups to cut income taxes or the ODR to stimulate the economy, but the finance ministry has resisted a tax cut, arguing that revenues have falleu sharply in the past year.

The seven coalition parties are divided over interest rate policy. Some members of the Social Damocratic party, formerly the Japan Socialist party, argue that a fall in rates will hurt old people depeodent on savings for income.

There has also been concern in the government that another rate cut, the seventh in two years, would lead to a surge in asset prices and unfairly benefit banks, which are likely to profit from the rate spread.

But the government is under pressure from trading partners to prove that it is attempting to rekindle growth. The current account surplus has expanded for 28 consecutive months, and Mr Morihiro Hosokawa, prime minister, would like to take along a rate cut or some other initiative when he

visits the US late this month. The lack of consumer confi-dence highlighted by falling retail sales was also reflected in a survey released yesterday by the prime minister's office. Only 4.8 per cent of 10,000 people surveyed thought their life had improved over the past year, down from 7.3 per cent. While the weakening economy has undermined connying reduction in overtime led to a fall from 39.9 per cent to 37.9 per cent in respondents

Missing the unemployment-deregulation link

THE DEBATE about how to tackle high unemployment has taken a peculiar turn in recent months. The British government, with the help of the European Commission, has appeared able to characterise persistent unemployment as a peculiarly continental European problem, a product of sclerotic and over-regulated labour markets. The US and the UK are thus absolved from continuing hlame. Yes, unemployment in these countries was higher in the 1980s than in previous decades. But by embracing an agenda of labour market deregulation, or "flexibility", they claim to

have found the solution. This is certainly the approach that the UK plans to take both in Europe and in the run-up to President Bill Clinton's autumn unemployment summit. Its recent submission to the EC's review on competitiveness in Europe stated: "There has been an upward trend in EC unemploymant from cycle to cycle since the late 1960s and an increasing proportion of long-term unemployed people. This is evidence of inflexibility in, and over-regulation of,

labour markets. These factors deter employers from taking on new employees

and damage job creation." But the reality of the Anglo-Saxon labour market performance in the 1980s is different from this rhetoric. First, while the record of the US economy in terms of creating jobs has been superior to that of continental Europe, the UK's record has been less impressive. Over the period 1982-90. UK employment grew by an average 1.5 per cent a year, ahead of 0.9 per cent in the EC as a whole, although behind the US rate of 2.1 per cent a year.

But Britain's peculiarly turbulent recent history has destroyed the employment gains that deregulation might have delivered, as the charts show. Both the US and French economies have steadily been adding new jobs since 1978, although et e much slower pace in France. The UK, by contrast, has experienced an employment rollercoaster: between 1978 and 1983. employment fell by 1.4m; the Lawson boom then replaced these lost jobs and added a net 1.9m more; hut since 1990, the

subsequent recession bas removed the bulk of the gains, leaving a net addition since 1978 of less than 500,000: 200,000 fewer than France. Over the period 1979-92, US employment grew by 19 per cent, French employment by 3 per cent

and UK employment by 0.4 per cent.

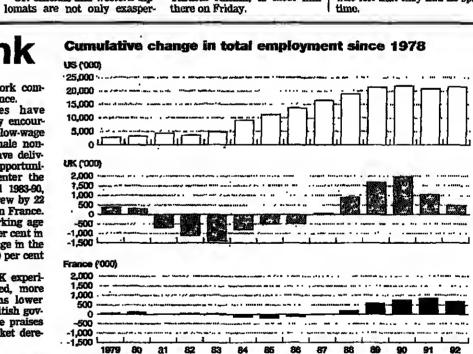
More important, this employment growth has co-existed with persistently lower male employment in hotb Anglo-Saxon countries. On average over the period 1982-90, and thus excluding the effects of either British recession, 9.7 per cent of British workers were unemployed according to the OECD, higher than in both the US and France. But rising unemployment is only part of the story. Male labour force participation in the US and UK has dropped sharply over the past two decades as many have shifted from being "unemployed" to "economically inactive" The common characteristic of these two groups is that they do not have jobs; all can be classified as "non-employed". On average in the 1980s, 12 per cent of US males aged 25-54, and 14.9 per cent of UK

prime-age males were out of work com-pared to only 9.1 per cent in France. The Anglo-Saxon economies have achieved one notable success: by encouraging the creation of relatively low-wage service sector jobs which the male nonemployed have shunned, they have delivered many more employment opportunities for women who want to enter the labour market. Over the period 1983-90, female employment in Britain grew by 22 per cent compared to 8 per cent in France. The proportion of women of working age who have jobs rose to nearly 60 per cent in both Britain and the US on average in the

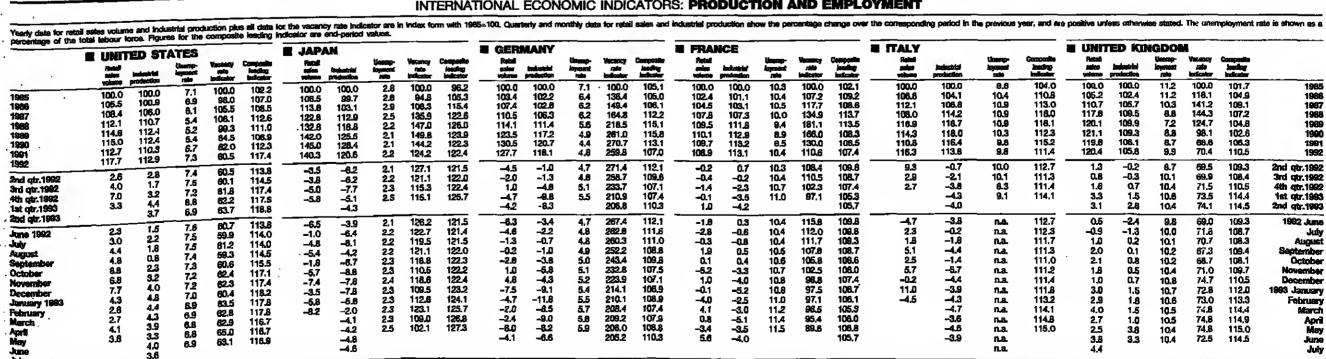
m France and Germany. But neither the US nor the UK experience suggests that a deregulated, more "flexible", labour market means lower male non-employment. So the British gov-ernment's willingness to sing the praises of Anglo-Saxon style labour market deregulation seems misplaced.

1980s, compared with less than 50 per cent

Edward Balls



INTERNATIONAL ECONOMIC INDICATORS: PRODUCTION AND EMPLOYMENT



June
July

All series seasonally adjusted. Statistical for Germany apply only to western Germany. Deta supplied by Datastraam and WEFA. Rotall sales volumes data from national government, sources except Japan and Italy (value series deflated by DECD using CPI). Refers to total sales except France and Italy (major cutters only) and Japan (department stores only).

All series seasonally adjusted. Statistical for Germany apply only to western Germany. Deta supplied by Datastraam and WEFA. Rotall sales volumes data from national government sources. Includes construction industries accept Japan (mining and manufacturing only) and UK (sless includes construction industries). Unamployment rates OECD standardised rate which adjusts as far as possible for the different definitions of unemployment used in industries productions relevant vacancy measure divided by total civilian employment, expressed in index form. Derived from OECD series. US – help-wanted advertising, Japan – new vacancies, Germany and France – all jobs vecent, Italy – no data available, UK – unfilled vacancies. Composite leading indicator: OECD data. Each is a combination of saries, cyclical fluctuations in which usually precede cyclical fluctuations in general economic activity.

Foreign orders already surpass last year's record of £5.2bn

Arms exports 'a great success'

By David White

FOREIGN orders for British weapons so far this year have already surpassed last year's record of £5.2bn, Sir Alan Thomas, the Ministry of Defence's export chief, said yesterday.

Describing the export performance as "a great and unsung success story", he vigorously rebuffed suggestions that the government had heen lax in vetting where its arms went. Sir Alan, who has not been called to testify to the Scott

inquiry into supplies of arms and related equipment to Iraq in the 1980s, said it was 'nonsense" to depict Britain as a big supplier to President Sad-

The UK had come "a very poor fifth" among the world's

five main arms producing nations in supplying Iraq between 1985 and 1990, he said, adding that it had not sent lethal equipment.

"No other country in the world has a more responsible policy or practice," he said. He added that the UK oheyed international controls and reg-ulations on arms sales "both to the letter and in spirit".

Sir Alan, who beads the MoD's Defence Export Services Organisation (Deso), was speaking at a preview of the Royal Navy and British Army Equipment Exhibition at Aldershot, Hampshire.

He emphasised the MoD'a increasing reliance on export customers to help defray the cost of its own weapons. "Our future capability depends on our export success," he said.

Officials expect the UK's few exhibitors to be worth share of the international defence market to exceed the 20 per cent it reached for the first time last year. This year's export figures bad heen boosted by the sale of 48 Tornado bombers to Saudi Arabia, expected to be worth some

The UK ranks as the world's No2 arms exporter after the Despite rising exports, the exhibition reflects the general decline of the UK defence

£4bn including spares and sup-

Exhibitions of British land and sea weapons were previously held separately in alternate years. The decision to merge them was made two years ago after a naval show which was judged to have too repeating. However, this year's combined show, organised by the Deso and paid for hy industry, is if anything even

Open to invited guests only, it presents the incongruous spectacle of naval exhibits at an army base some 45 miles from the nearest coast.

The grey superstructure of a futuristic warship looming over the outdoor stands is a half-scale canvas mock-up constructed by British Aerospace as a token of its ambitions to expand in the naval business. A pool has been dug to give the impression that the pretend ship, built around a core of portable cabins, is floating. Delegates from about 60

countries are expected at the

UK country | Major faces test on taxes fans hurtin' and hopin' no more

By Rachel Johnson

UNTIL last week, UK fans of country and western music had few opportunities to hear good ole fashloned songs hnrtin', hopin', and copin' tunes with andible lyrics and proper melodies that last three minutes and no longer.

But last Friday, the Radio Anthority awarded a licence to London Country Radio, the first 24-hour station of that genre in the UK. It hopes to be broadcasting to a potential audience of 7m by next April.
This followed the announce-

ment that Country Music Television (CMT) Europe - with 300,000 UK subscribers since its introduction last year com-pared to 17m in the US - went on the Astra satellite as part of Mr Rupert Murdoch's new

BSkyB package.

These two developments
provide a major new promotlonal ontlet for the country product," said Mr Martin Satterthwaite of the Country Music Association, the Nashville-based trade association with a UK membership of 300. Mr Adam Sieff, manager of

the country section at Tower Records' flagship London store, said CMTV would "change everything" by mak-ing country music and its stars visible for the first time. The two new ontlets were keeping pace with a taste for good songs with neither no

rap nor grunge base," he said. While sales of country music albums are 73 per cent higher than they were in 1991, the British Phonographic Institute says that country and folk account for just 3 per cent of UK record sales. This contrasts sharply with the US, where the genre's unstoppable rise has led the UK music industry to

jump on country's bandwagon. Country music traces its origins to the poor smallholders, many from the Scots-English border who settled in the sonthern Appalachian mountains in the 18th century. The genre still has a long way to go in the UK, which will have two country music ontlets next year. In the US, 2,500 radio stations play the white man's blues 24 bours a day.

departments in general terms. But right-wing ministers were adamant that the debate over the best way of narrowing

PRIME MINISTER John Major was last night facing a new Tory right stepped up its efforts to head off possible tax increases in the November Budget.

As Mr Major prepared to return to Downing Street tomorrow after his Portuguese holiday, right-wing ministers were insisting that tax and spending should be discussed on Thursday at the first cabinet meeting since the summer

Downing Street yesterday described the meeting as "very much a reporting cabinet", with ministers outlining summer developments in their

the £50bn public sector borrowing requirement should not be kept off the agenda, arguing that the general political situation could not be discussed without talking about spend-

An acrimonious debate over whether further tax rises should play a part in the gov-eroment's drive to reduce the budget deficit has rumbled on in Tory ranks all summer.

Already some are warning that the differences which have come to light could prove as damaging as the rift on Europe which dominated the last parliamentary session.

Yesterday brought a string of fresh contributions to the argument, with Mr David Mellor, a former Treasury minister, saying the option of tax increases had "got to be kept up". Mr John Townend, rightwing chairman of the Tory backbench finance committee, said supporters in his Bridlington constituency were telling him they did not elect him to put taxes up. He was "heartened by the fact that the battle for spending cuts is making

Drogress Sir Edward Heath, former prime minister, said Mr Major should tell cabinet colleagues that if they did not go along with government policy they "quietly resign or should retire".

Coal mines attract few buyers

By Michael Smith

PRIVATE-SECTOR mining companies have made bids for fewer than half of 19 pits shut or mothballed by British Coal

in its closure programme, The deadline for the last five nits to be put out to tender is tonight, with the likelihood that only one will be the subject of a bld that involves mining. The five are Coventry, Shirebrook in Nottinghamshire, Taff Merthyr in Mid Glamorgan, Parkside on Merseyside and Sharlston in West

As the final deadline approaches it is probable that only eight of the 19 stand a chance of reopening as mines. The others have either received no bids or are the subject of tenders that involve the use of surface assets only.

The government will use the private sector's lack of enthusiasm in its argument for closing so many pits. However, the shortage of bids will reinforce fears that the privatisation of British Coal next year will prove difficult. Decisions on hids are expected to take at least another month.

Number of new graduates finding work falls to 43%

EMPLOYMENT prospects for new graduates have worsened again, figures released today

They show that the proportion of graduates finding long-term employment hy the end of the year they left university fell to 43 per cent last

annual fall according to the figures from the Universities' Statistical Record, In 1986-87, 60 per cent of graduates found long-term jobs. The latest figure is lower than the 49.5 per cent reached in the trough of the last UK recession in

Last year the proportion helieved to he totally unemployed, without even temporary work, rose from 9.4 per cent to 10.6 per cent.

Craduates also shifted from industry - the destination for 23 per cent, down from 25 per cent the year before - and towards commerce - up one percentage point to 31 per cent. Employers' organisations,

including the Confederation of

British Industry, predict that

graduates again before economic recovery is fully under way, and graduate recruiters earlier this summer detected a small hut discernible upturn in demand. This has yet to he

reflected in any figures. The fall in employed graduates is partly accounted for by a rise in the numbers taking further studies. This was the destination for 30.9 per cent of graduates, compared with only 24.6 per cent six years earlier. There was also a 6.3 per cent increase in the total number of graduates

Architecture - up 28.6 per cent - saw the most vigorous expansion.

Graduate unemployment was lowest, at less than five per cent, for medics and dentists, and students of education. That confirmed predictions, made recently hy teacher training bodies, of a shortage of trained teachers once the recession ends.

Librarianship was the subject least likely to lead to a joh, with 20.8 per cent of graduates still looking for either a job or further study. Architecture (15.4 per cent), humanities (14.6 per cent) and mathematics (14.4 per cent) were next.

Despite complaints of a shortage of science graduates from industry, 13.4 per cent of physical scientists were still without either a job or another course - more than the overall average of 11.6 per cent.

Only "old" universities, and not former polytechnics which have become universities, are included in the figures.

"Academic snobbery" is preventing disappointed univer-

sity applicants from taking up courses in further education colleges, Mr John Patten, education secretary, alleges in a letter published today. According to Mr Patten, writing in a letter to the chairman of the Conservative backbench

education committee: "Univer-

sities are not the only institu-

tions to offer degrees. Over 300 of the newly-independent further education colleges now offer higher education courses, 130 of them at degree level" He likened resistance to further education colleges to the "academic snohhery" which deterred students from applying to polytechnics twenty

Union leader looks across the pond

MR JOHN MONKS this week becomes general secretary of the Trades Union Congress.

Robert Taylor looks at effort: which begins its 125th annual gathering in Brighton today. He wants to draw on lessons from the US labour movement in his efforts to reverse the trend of declining union mem-

bership in Britain. "I admire the toughness and professionalism of the American unions," he said. "They have to live and work within a difficult husiness environment in the face of large heavily anti-union multinational com-

The 48-year-old from Manchester, who takes over from Mr Norman Willis at the end of the week as TUC general secretary after 23 years in the organisation's bureaucracy, is particularly keen on emulating US labour recruitment campaigns that make much use of computers for co-ordination and seek broader alliances in

the community.

The TUC plans to take the initiative by launching a number of campaigns to publicise the relevance of trade unionism to the estimated 66 per cent of workers who no longer belong to unions.

A test campaign will be held in Bristol, where a number of unions intend soon to launch a co-ordinated recruitment drive. Local union activists will be

looks at efforts to reverse declining union membership

mobilised to try to persuade workers who do not belong to unions to join them. If the Bristol campaign succeeds, the TUC will shift its focus to other cities. Immediately after this week's congress the TUC will prepare its campaign to reach the 6m trade unionists estimated to have their membership subscriptions deducted by their employer under the so-called check-off system out of their pay.

Under the new Trade Union Reform and Employment Rights Act every trade unionist has to approve within the next 12 months to union checkoff. Many union officials fear this could produce a dramatic fall in membership as workers decide not to renew their subscriptions. Unions will be encouraged to move their members to the direct debit system of payment as a way of

protecting their finances. The TUC also plans to concentrate its campaigning efforts in four priority areas health and safety, pensions,



John Monks in Brighton yesterday: he admires the toughness of US unions

vocational and trade union training and equal rights. "We want to make the TUC the kind of organisation that people admire and respect talking good sense and saying things that chime in with their experience," said Mr Monks.

The key to corporate finance: long-term access to a wide range of financial and advisory services.



Development, Environment, Learning, Governability in a complex and uncertain world: The Club of Rome, to which this key provides access, works with the coming generations.

In today's changing and uncertain corporate environment, long-term success can be achieved only with the support of a reliable and sophisticated financial partner. A very limited number of international banks have the resources and commitment to play such a role and be a genuine partner. Swiss Bank Corporation is one of them. As an integrated investment and merchant bank, we consistently have ranked among the major forces in global capital markets and treasury, risk management, international credits and corporate advisory services. Operating with a perspective that is as longterm as yours, we have a tradition of dedication to our clients.



Section to the Many

alons of all me the

35.0

- -

- ARING

e ny

277579

5-5-6-1

wa....

United States

Marine 1

Programme 1

12.7

A- 5

THE WEEK AHEAD

ECONOMICS

German monetary policy in the spotlight

GERMANY will be the centre of attention this week with parliament resuming work after the summer recess today and the Bundesbank's decisionmaking council meeting again on Thursday.

Briding Letting to the bards to bards to bards The debate over wbether the Bundesbank should or ehould not ease its monetary policy will be fuelled by the expected publication tomorrow of second quarter gross domestic product figures and July retail sales figures during the week.

The consensus among economists is that the economy stagnated in the second quarter. If true, thal would lend support to the government's belief that the recession has bottomed out. But the outlook for recovery is bleak, with rising unemployment and continued self-doubt in Europe'e biggest economy.

The weak state of the Japanese economy will be highlighted in the Bank of Japan's latest "Tankan" report on Friday. By coincidence international monetary officials meet in Paris that day to prepare the way for the annual International Monetary Fund meetings at the end of the month. Japan could again find itself under pressure to expand its economy.

The main economic statistics and events of the week follow. The figures in hrackets are the

Western Germany Real GDP growth, quarter on quarter % change

. 1969 90 91 92 93

median of economists' forecasts from MMS International, the financial information com-

Today: US, Labour Day mar-UK, July credit business (up £200m), housing starts and completions. Spain, Angust official

reserves (\$47bn). Tomorrow: Germany, second-quarter western German GDP (unchanged on quarter). Belgium, EC monetary com-

mittee meets in Brussels. Wednesday: US, July wholesale trade, consumer credit (up \$2.5bn); Federal Reserve Board releases tan book.

UK, chancellor Kenneth Clarke and Bank of England governor Eddie George discuss

monetary policy. Treasury releases monthly monetary

Canada, August help wanted index (88).

Thursday: US, initial claims week ended September 9 (330,000); state benefits week ended August 28; 1993 real capital spending; second-quarter productivity; money supply figures for week ended August 30 (M2 up \$1bn). Japan-US deputy ministers meet in Washington. Germany, Bundesbank coun-

UK, CBI distributive trades survey. Chancelior Kenneth Clarke at Scottish CBI dinner. Canada, August housing etarts, eeasonally adjusted annual rate (163,000); July motor vehicle sales (up 3.5 per cent on month); June labour income (up 2.3 per cent on

Australia, August unemployment rate (10.8 per cent). Sweden, August consumer prices (unchanged on month, up 4.6 per cent on year).

Friday: US, August producer prices (up 0.2 per cent on month), ex-food and energy (up 0.2 per cent). Japan, Bank of Japan Tan-

kan report; 1993 Tankan capital spending estimate (down 5 per cent); August manufacturing diffusion index (minus 54 per cent), non manufacturing (minus 42 per cent)

France, August preliminary consumer prices (unchanged on month, up 2.2 per cent on year). G7 deputies and OECD's Working Party Three meet in

Paris. Canada, August unemployment rate (11.5 per cent). employment (up 0.2 per cent on month); July department store sales (down 2 per cent on

Norway, August consumer prices (down 0.1 per cent on month, np 2.3 per cent on

During the week: Japan, August trade balance customs cleared (\$7bn surplus). Germany, August final cost of living (unchanged on month,

up 4.2 per cent on year); July manufacturing orders (unchanged on month), retail sales (down 2.5 per cent); June trade balance (DM3.5bn surplus). current account (DM2bn defi-France, May trade balance

(FFr5.5bn surplus); July M3. Netherlands, August consumer prices (up 0.6 per cent on month, 3 per cent on year) Switzerland, August federal consumer prices (up 0.3 per cent on month, 3.4 per cent on

year), unemployment (4.7 per

Do. BDR \$0.01

Intl Business Ma Lilly (EII) \$0.605

Northern Foods 5p Saville 1p

Sun Co. \$11.45

Travelers \$0.40

M SATURDAY

tton Inch. \$0,75 IBM Credit Corp. 8% Dual Currency Nits

Australia, July money supply and credit.

Peter Norman

ess Machines Cap Stk \$0.25

Monsanto 5% Gtd Ln '92/97 \$0.58

att. Medical Enterprises \$0.12

Ninnon Paint 6,1% Bds. 1997 Y610,000

Nationale (De) Investeringsba Fitg. Race Nts. 2002 \$130.97

Sizen Selective Growth Tet. 10

UK 51/4% Treas. '08/12 92.75

Bangkok Inve. Part. Rd. Pf. Bt50

Texasco Capital Stir., \$0.80 Trans-Natal Coal R0.57

Utd. Technologies \$0,45 Witen try, 2.7p

Sumitomo Realty & Dev. 4,70% Nts. 1997 Y134,472

RESULTS DUE

GLAXO, reporting full-year results on Thursday, might sound more cheerful about its prospects in the US following President Bill Clinton's more concilietory message about health care reforms this week.

Pre-tax profits for the year ended June are forecast at around £1.65bn against £1.43bn

a year earlier. Underlying sales growth will be in the low teens but sales of new drugs might be somewhat disappointing. A final dividend of 13p is likely making 20p for the year (17p a year

Cadbury Schweppes is expec-ted to deliver results in line with management's bullish assessments of trading in recent months when it reports its first-half figures on Thursday,

Many analysts forecast pretax profits of at least £160m, up from £126m last time.

Forecasts for Prudential, reporting on Wednesday, vary widely from £218m-280m pretax against £249m a year earlier, an increase in dividend to about 4.5p from 4.1p is also forecast.

Better life insurance perfor-

mance will be overshadowed by further heavy losses on re-

insurance. Whether George Wimpey, reporting on the same day, returns to an interim pre-tax profit from a loss of £7.2m a year earlier hangs in the balance. Some analysts forecast a small profit, others a small loss. Its second half will he

Blue Circle should report on Thursday interim pre-tax profits slightly ahead with the dividend unchanged.

pick up.

stronger given the housing

AMEC's interim pre-tax prof-

im Grp.

seen Clive Invs

Alba, Harvard House, 14-16, Tharnes Road, Barking, Essex, 11.00 Bulmer (HP), Cider Mills, Plough

Manor Road, Woodford Bridge,

JLI Group, St. James Court Hotel,

Buckingham Gate, S.W., 10.00 London Merchant Securities, Carlton House, 33, Robert Adam

Street, W., 12.00
Morris Ashby, 18, Freebournes
Road, Witham, Essex, 2.30
Smith (David S.), St. James Court
Hotel, Buckingham Gate, S.W.,

Triplex Lloyd, Birmingham Botanical Gardens, Westbourne Road, Edgbaston, Birmingham, 1.00 Wintrust, 21, College Hill, E.C.,

Northington Group, Worthington

House, 199-205, Old Marylewbone Road, N.W., 11.00 BOARD MEETINGS:

Finals: Armour Trust

European Smaller Co's

Arjo Wiggins Appleto

Davies (DY)

■ THURSDAY

SEPTEMBER 9 COMPANY MEETINGS:

Lane, Hereford, 2.30 Dixons Group, Grosvenor House Hotel, Park Lane, W., 11.30 Forminster, Prince Regent Hotel, its are likely to be slightly lower on Wednesday than last year's £10.6m.

Following a receot trading statement, Hillsdown Holdings' results tomorrow will be carefully scrutinised.

It said it would achieve oper ating profits of not less than £80m, but it has its work cut out to improve the profitability of its diverse food busi-

Coats Vivella on Thursday is forecast to report a moderate increase in interim pre-tax profits to about £54m from £46.5m a year earlier.

UK COMPANIES

■ TODAY
COMPANY MEETINGS:
Adam & Harvey, Standard House,
15-16, Bonhill Street, E.C., 11.30 Delepak Foods, Mercheni Hall, Aktwark, York, 12.00 ak Foods, Merchant Taylors BOARD MEETINGS:

Finals: Hagges (John) Haynes Publishi Phoenix Timber Rosspark Wills Group ASW Hidgs.

Bransmer British Vita Claremont Garmer EFM Income Tst. Fairey Group Intrum Justitia

Rugby Strong & Fisher TLS Range USDC inv. Trust

■ TOMORROW Abtrust New Dawn Inv. Trust, 99, Charterhouse Street, E.C., 12.30 Birse Group, Forte Posthouse. Ferriby High Fload, North Ferriby, Hull, 12.00

Huli, 12.00
European Motor Hidgs., 1,
Patemoster Row, E.C., 10.00
MS Intl., Doncaster Moat House,
Warmsworth, Doncaster, 12.00
PowerGen, International Convention
Centre, Birmingham, 11.00
Southern Flactics, Poole Arts Southern Electric, Poole Arts Soument Electric, Poole Arts
Centre, Kingland Road, Poole, 11,00
Templeton Emerging Merkets Inv.
Trust, Templeton House, Atholi
Crescent, Edinburgh, 10,00
Yorkshire Electricity, City Hall, Hull,
10,30 BOARD MEETINGS:

Fleming Overseas kw. Tst. Industrial Control Services Macro 4 Pacific Horizon Inv. Tst. TR European Growth Tst

Brown & Jacks Burnfield Caim Energy Cakebread Robey Croda Inti. net Inti. Frost Group Harrington Klibride Headlarn Hillsdown Hidgs. OGC Intil RIZ Jupiter Tyndell Newman Tonks Sumit Thompson Clive is Wimpey (George)

Ocean Group Powe RPH Reece Scholl Spear (JW) Vardon Villiams Hidgs

SEPTEMBER 0 COMPANY MEETINGS: AIM Group, New Connaught Rooms, AMM Group, New Connaught Hoom Greet Queen Street, W.C., 12.00 Cray Electronics, The Brewery, Chiswell Street, E.C., 11.00 Daejan Hidgs., CBI, Centre Point, New Oxford Street, W.C., 12.00 Fleming Intl. High Income Inv. Trust, 25, Copthall Avenue, E.C.,

Glibbs Mew, The Cloisters, ky Street, Salisbury, 2.30 MFI Furniture Group, Chartered Accountants Hell, Moorgate Place, E.C., 11.00 Savilla, 25, Finsbury Circus, E.C., 12.00 Syltone, Forte Crest Hotel, Leeds Syrtone, Force Crest Hotel, Leads Road, Bramhope, Leeds, 12.00 Wagon Industrial, Park House Hotel, Shifnal, Shropshire, 12.30 BOARD MEETINGS;

Final: Northern Indi. Improven AMEC Albany Inv. Tst. BTR Beird (Wm.)

Carmend Metalbox Cluff Res. Eadle Februaren Kleinwort Smaller Co's. **Britteh Gas** Costs Vivelia Enterprise Oil Friendly Hotels

Laing (John) Lloyds Smaller Co's inv Manders North Sea Assets Perry Grp. Ropne Shell T & N

SEPTEMBER 10 COMPANY MEETINGS: Hampson Inds., Centennial Centre, Ideniald Port Road, Edgbaston, Birmingham, 11.30 Lister, Novotei Bradford, Memydal Road, Bradford, 12.00 Mosaic Invs., Smith New Court House, 20, Farringdon Road, E.C.,

Ratners, New Connaucht Rooms Great Queen Street, W.C., 12.30 Stanley Leisure, Stanley Wirral Casino, Oxton Road, Birkenhead, Wintel, 11.00 BOARD MEETINGS:

Henderson Eurotrust Walker (Thomas interims: Bardon Gro. Beattle (James) Berry Starquest Bletchley Motor Gaskell Retners

Company meetings are annual general meetings unless otherwise Please note: Reports and accounts board meeting to approve the

DIVIDEND & INTEREST PAYMENTS

Adam & Harvey 7p Amer. Express Credit 8% Duel Currency Sarior Bds. 1986 Y80,00 Bank of Greeca 105,56 2010 25.375 Cardiff Property 0.85p Dames Ests. 8% Un. 19297 24 Dames Ests. 8% Un. 19297 24 Drayton Fer Eastern 0.1250 Electrocomponents 5.9p Kembrey 0.155p Milisui & Co. Fired & Flig. Rate Nts. 1986 Y2 500 000 Do. 475% 1994 (without Wirts.) \$243.75 Safetand 0.44p Sainsbury (J.) (Charmal Islands) 8½% Cv. Cap. Bds. 2005 2212.50 Scottish & Newcastle 11.07p Templeton Emery, Markets 1.7p Whitbread 9¼% Rd Db 191/86 24.875 Mochiella Bilde Carlott Dits 24.875

M TOMORROW Critchley 4.8p Eksportfinens 141/9/4 Nts. 1903 A\$145 ENSERCH \$0.06 Fleming Fledgeling Inv. 1p Freeman 2p Gen. Motors Acceptance Crp. of Cen. 71/96 Nts. 1997 C\$77.50

Do. 11%% Nts. 1996 C\$118.75 Lockheed \$0.53 Filver & Marc. Extra Inc. 1.96875p Flockwell Intil. \$0.25 Sanwa Fin. Anuba Girl. Step-Up Fitg. Rate Nts. 2002 \$527.06 eden (Kingdom of) 51/2% Nts. 2003

WEDNESDAY SEPTEMBER 8 Bank of Ireland Undated Var, Rate Nts. Barclays O'sees. Inv. Gtd. Fitg. Rate Nts. 2004 \$127.78 Brit. Gas Intl. Fin. 8%% Gd. Nts. 1999 Cerdiff Automobiles Receivables Secn. No. 2 Class A Fitg. Rate Nts. 1997 Do. Mezzanine Fitg. Rate Nts, 1997 Finsbury Smaller Co's. Tst. 1.1p Full Intl. Fin. (Australia) Fitg./Fixed Rate Gtd. 2001 \$487,15 Independent Inv. 0.8p Lex Service 4.7p Local Authority Short-Dated 10½% 1983 Nati. Australia Bic. Sub. Ver, Rate Nts.

ster Blc. Var. Rate Cap.

KUWAIT OIL COMPANY (K.S.C.)

Manufacturar

Caterpillar

Cateroillar

R.B. Lincoln

Atlas Copco

Worthington

Gar-Bro/Pamono

ESBA/Lincoln/Nornad

Dayton/Wilson/Groban

Hofland/Creekside

/Robin/Coleman

Variety

Fabricated

Hvmo

Total

13 Nos.

15 Nos.

6 Nos.

2 Nos.

42 Nos.

17 Nos.

56 Nos.

43 Nos.

SALE OF SURPLUS EQUIPMENT

Nts. 2009 £159.11 Nesionwide Bidg. Society Fitg. Rate Nts.

TENDER NO: S-T/1993/19

Kuwait Oil Company (K.S.C.) invites interested local and international

Equipment" contained in the Tender, lo collect the Tender documents from

address between 0800 hours and 1500 hours on Saturday, 6-11-1993. Late

Given below is a brief description of the items of Equipment offered for

Contractors and others who wish to participate in the above mentioned

Tender for sale of Surplus Equipment on "AS IS WHERE IS" basis, in

Contracts Department, Kuwait Oil Company, Ahmadi, Kuwait during

Bids shall be delivered by hand into the Tender Box at the above

Company normal working hours from Saturday, 11-9-1993 against the

accordance with the "General Conditions for the Sale of Surplus

payment of KD. 100/- (One Hundred) per set, non refundable.

Tractor Crawlers with Winches

Pump-Water Centrifugal 4000

Generators upto 6.25 KVA .

Construction Equipment

Welding Machines, 250,300,400

Winch/with Draw Bar

Tractor Crawlers with Ripper and

Excavators with Boom Extension &

bids will not be considered.

Title

Bucket

Amps

Trailers

Attachments

Athey Wagons

Batch Plant

Concrete Buckets

Group

1.

2.

8.

11.

2000 2166.04

1995 £153.75 1995 £153.70 Prism Loleure 2.37p Renold 716% 2nd Deb 192/97 £3.8125 31 Grp Grd Fitg Rate Nts 1997 £160.68 UK 714% Treas. 2003 £3.8632 Do. 10% Treas. 2003 £5

R THURSDAY SEPTEMBER & Anglan Group 5.8p Anheuser-Busch \$0.36 Armeliser-resident 30.49
Baring Tribune Inv. 1.7p
Carclo Engineering 3.4p
Cray Electronice 1p
Donino Printing Sciences 2.85p
Forminster 10.04p rominster 10.04p Funding for Homes 10%% Deb. 2018 95.0625 JLI 3.1p

M FRIDAY SEPTEMBER 10 Abbey Nati. Trees. Srvs. 9%96 Nts. 1993 \$63.75 AllicdSignel \$0.29 Bank Leumi (UK) 4.5p Chevron \$0.675 Dun & Bradetrest \$0.81 Evenosticane 7636 Nts. 1963 \$381 25 Poton \$0.72 Florning Intil High Inc Inv 2,6675p Full Benk Intil, Fin, Perp, Sub, Gtd. Fitg, Pate Nts. \$10,669.44

CONTRACTS & TENDERS

CENTRE DU COMMERCE INTERNATIONAL

CNUCED / GATT



INTERNATIONAL TRADE UNCTAD/GATT

Hellenic Export Promotion Organization (HEPO)

CENTRO DE COMERCIO INTERNACIONAL

UNCTAD/GATT

Equipment for Packaging Laboratory and Test Centre

Procurement Notice: ITC Project GRE/25/03

Greek Institute of Packaging

The Hellenic Export Promotion organization (HEPO), an agency of the Government of Greece, is in the process of equipping a major new packaging laboratory to serve the needs of Greek exporters of packaged products and their packaging suppliers.

The INTERNATIONAL TRADE CENTRE UNCTAD/GATT (ITC) has been entrusted by HEPO with the procurement of the necessary packaging laboratory equipment. The equipment now being procured will be for the inspection and testing of metal, plastics, paper and board packaging materials and of retail and transport packages

Eligible suppliers of laboratory equipment for inspection and testing of packaging who are interested in receiving the ITC formal Request for Quotation should submit a written application, not later than 3 weeks from the date of this advertisement, together with documentation and catalogues about their ranges of equipment to:

> INTERNATIONAL TRADE CENTRE UNCTAD/GATT (ITC) Procurement Unit (ITC Project GRE/25/03) Palais des Nations 1211 Geneva 10 .Switzerland

> > Telephone: (4122) 7300454 Fax: (4122) 7334439 Telex: 414119 ITC CH

RIDDELTON LIMITED FEKS1,000,000,000 ~ Guaranteed by ETE DEVILOPMENT (BYTEKNATIONAL) LEMETED Notice is hereby given dust for the interest period from 1st September, 1993 to 28th Rebreary, 1994 (both duses inclusive) the interest rate has been fixed at 4.8123% per periods. Interest payable on 1st March.

Residential **Property PRIVATE ADVERTISERS** please contact Sonya MacGregor 071 873 4935

LONDON STOCK EXCHANGE

FINANCIAL TIM Footsie breaks through 3,000 barrier

From your local newsagent £1.60

(Financial Times 12/8/93)

For expert investment advice

DOING BUSINESS IN RUSSIA?

Save time, effort and money at the start

All foreign companies wishing to conduct business in Russia need to register there. In Moscow, registration is handled by the Moscow Registration Chamber. Fortunately, this process can be relatively quick and easy, thanks to Financial Izvestia which is now offering the Moscow Registration Chamber's own Guide to Registering Companies in Moscow. Written in English and in collaboration with the international law firm, Salans Hertzfeld & Heilbronn, this invaluable Guide

Enables you to select the most suitable legal structure for an enterprise

Supplies checklists so you avoid common

mistakes when registering ■ Provides sample registration forms and letters

to obtain the relevant authorisations Lists addresses and contact details of key agencies in Moscow

Much of this information is simply unavailable elsewhere and will be of real practical everyday use to anyone intending to do business in Russia, as well as legal, financial, accounting and other

The Guide to Registering Companies in Moscow is available exclusively from Financial Izvestia to order your copy, see below.

FINANCIAL IZVESTIA

Financial Izvestia is a weekly business newspaper, produced by the Financial Times in partnership with Izvestia, Russia's leading quality daily. Published for Financial Izvestis by FT Business Enterprises Ltd. Registered Office: Number One Southweak Bridge, London SEI 9HL. Registered in Engiand No. 980896.

REGISTERING COMPANIES IN MOSCOW Please return to (mail order only): FT Customer Services, PO Box 6 Tel: +44 (0) 209 612493 Fax: +44 (0) 209 612811

ales enquiri	R14 9EQ, UK es +44 (6) 209 711928 Marketing enquiries +44 (6) 7	Fax: +44 (0) 209 6124 +44 (0) 71 814 9770					
NAME		TTLE					
COMPANY							
ADDRESS							
POSTCODE	COL	NTRY					
Office Use Only	Tide	8	UK Price	Oversess Price			
B(3493	Registering Companies in Moscov ISBN 1853340693	Ţ	£90	£86/US\$138			
PAYMENT	Please note that payment must acco	шрапу	order. Price	includes p & p			

j	l ca		my ch u UK												
M 	Plea Num	uc de ber	bit my	cred	it cand	0	E	7		Ţ	E A		3	19.2% 9.2%	
_								Γ	L			L.			
CA	RD E	XPI	RY D/	Œ											
SK	NA.	URE	;							DA	TE				

Sir Allen Sheppard, chief executive of Grand Metropolitan, is one business leader who supports participation by amployees in community action and education programmes. "It's a big part of career development," he said in a recent interview with tha FT (Management Page, July 2). "I like to see people in the trenches, not stuck in the back office. It's better than 1,000 management courses. It's playing the game

On Sir Allen's analysis, sending staff on educational programmes is an act of enlightened self-interest training Is helped, while the company's image, and the long-term health of the community around it, improve. Sending employees into classrooms can also be a valuable first step to finding good new

recruits.
The bodies that co-ordinate education and the private sector are now trying to ensure that their programmes will be useful for industry participants. These include Young Enterprise, which uses corporate managers as advisers to "boards" of 16-18-year-olds running dummy companies for vocational husiness qualifications, and Understanding industry, which arranges for managers to give sixth-formers lessons in how industry works.

Research by Oxford University's delegacy of local examinations found that companies are using secondments to the Young Enterprise scheme as a formal and informal means of developing management skills. Work as a YE adviser also conforms with the standards of the Management Charter Initiative, the government-backed body for establishing common standards of mana-gerial training, which is backed by

1,614 companies. Each Young Enterprise "com-pany" has a board of directors composed entirely of students who raise starter capital of £250, and a workforce taken mainly from friends at school. Over the next year, they attempt to make as much money as possible from business activities. The children gain vocational qualifications, and have the chance to win prestigious prizes in competition against other youthful compames across the UK and Europe.

Managers from industry are required as advisers for each managing board. Last year, more than 5,000 advisers were seconded to Young Enterprise companies.

Corporate training managers say a young manager can derive excellent experience by overseeing the



Back to school for industry

Managers are sharpening up their skills through educational placements, reports John Authers

hirth of a small company, run by usually highly enthusiastic teenag-ers. Midland Bank now has more than 400 Young Enterprise advisers, and uses the scheme as a standard appraisal tool for any recruits who hope to hecome small husiness

According to Oxford University's research, each adviser must play roles as team players and managers, hut must also work as a "catalyst", consultant and manager of learning. They must also assess and audit their studeots' work. It is a hig commitment, involving one twohour session each week with the youthful hoards of management, plus duty on some Saturdays towards the end of the year when tha companies take their wares to trade fairs and make presentations.

But former YE advisers find the experience invaluable. Isobel Day, remunerations and benefits officer for Guinness Brewing in north London, advised a company called Le Pose at Queens Park Community School in Brent, In a turbulent year of existence it appointed four sepa-rate managing directors, and drastically revised its accounts several times. Day said she learnt to take an overview of the range of a company's functions - not otherwise easy in a company the size of Guinness - and also gained insights into the problems of team leadership

and co-ordination.
Under Day's guidance, Le Pose eventually raised enough money hy offering car washes and making Christmas cards to go to France and take advantage of the then favourable exchange rates to huy cheap goods, which the children then sold in north London. Its campaign came to a climax with a highly regarded presentation to a group of business leaders, including Martin Sorrell, chief executive of WPP, which had been organised by Business in the Community.

According to Day, Guinness has now established Young Enterprise involvement as "very much a useful career development tool". This judgmeut is shared by United Biscuits. another big employer in Brent, which also involves its managers in YE programmes. Understanding industry organises

a less operous programme that also allows junior managers to gain extra perspectives on their work. UI courses are offered as a bloc to

Sixth Form colleges, and lead to a diploma at the end of the course. During the term, the aim is to introduce students to all sectors of industry, and to each of the various management functions. Different volunteer managers from industry address the class each week to school.

explain their joh, and to take them

through model exercises.

Past volunteers attest that the experience of explaining themselves to a group of curious sixth-formers helped their communication skills. They must act as ambassadors for their companies, but avoid technical jargon, and also review closely what their joh is aiming to achieve. Students also have an ability to ask questions that managers would otherwise never bave asked for them-

Like Young Enterprise, UI aggressively promotes its programmes as useful training for managers, as well as for students. Powerful backers for its latest campaign include Allied-Lyons, Esso. Marks and Spencer, Thorn EMI and Boots.

Allied-Lyons expects all its managerial employees to take on external community positions, with a particular emphasis on school governorships and participation in Understanding Industry courses. The company sees educational involvement as a part of overall managerial development, and an opportunity to widen contacts, Educational involvement, though,

does not come cheap. Allied-Lyons calculates that each secondment of a manager to take a UI course amounts to a gift of £800 for the

Changing face of the MBA

As demand for courses falls, business schools are reassessing their role, writes Tim Dickson

tian Science Monitor con-A tian Science Montor conveys an uncomfortable message for modern managers. It pictures the IBM "jnggarnaut" careering off the road and a clearly bemused "driver" under the caption "I don't understand . . . we all went to the top business schools".

Management education is going through a rough patch on both sides of the Atlantic. Demand for MBA courses is down 17 per cent in the US and by roughly the same figure in the UK. Companies are sending fewer managers on executive programmes; and contracting bigher education hudgets mean fewer faculty jobs for academic staff. The more honest and for-ward-looking husiness school heads, however, acknowledge that economic recession is not the sole culprit. Current uncertainty, they concede, has as much to do with changing perceptions of the value of an MBA.

One such realist is Jim Schmotter, dean of the College of Business and Economics at Lehigh University, Pennsylvania, and a former associate dean and director of International studies at the Johnson Graduate School of Management at Cornell University. Addressing human resource directors at a one-day conference at Manchester Business school last Thursday, Schmotter identified the main trends in North American management education with disarming frankness.

Reinforcing the cartoon theme that maybe the emperor has oo clothes - Schmotter almost masochistically cited a New York consultant who advises Fortune 100 companies on their MBA recruitment. "She [recently] observed that companies are now biring MBAs primarily hecause of the work experience they had before entering school because they see no value that we on the campus add. And they are hiring far fewer. Further, they do not see business school faculty as qualified to help them solve important husiness problems."

Whether you agree with this bleak assessment or not - the Lehigh dean and most of his andi-

recent cartoon in the Chris- ence would presumably strongly beg to differ - Schmotter's point is that views like this are part of the market reality. How are business

schools responding? Schmotter outlined four strate-

• Do nothing, or as he put it, "get down into my tenured hunker and wait for the economy to rebound". Blaming others - naive students and short-sighted corporations - is part of this approach. Expand courses with features that look attractive, such as out-ward-hound leadership programmes, overseas trips or "noncredit" sessions on speaking and etiquette. Schmotter argues that business schools have no comparative advantages in these areas.

Business school heads acknowledge that current uncertainty has as much to do with changing perceptions of the value of an MBA as the economic recession

and none of it affects tha curricu-

lum or faculty.

Gear np the public relations machine, proclaim commitment to the 21st century and try to get front page news coverage every day. Schmotter's verdict: "Again, style over substance."

• Finally, and most positively, introduce genuine reform. The task is not to be underestimated hnt be suggests that "schools such as Michlgan, Case Western Reserve, and Babson College are rethinking what they do - and from all we hear Harvard is soon to join this trend".

Schmotter believes that business schools will have to change because global corporate restructuring is resulting in fewer jobs of the kind MBAs have traditionally held. Schools will have to add more value to students' emplnyability and alter their expectations. They will have to develop more

real partnerships with companies. Shrinking resources will put a premium in business schools on the sort of concepts normally taught, rather than acted on, by academics: productivity, total quality and continuous improvement to name but three.

B

Business school "constituents", meanwhile, will increasingly contique to insist on a market-driven, rather than a product-driven mentality. Trends towards tailored. company-specific programmes are appearing in MBA education, too, and rankings are here to stay.

MBA schools are also realising

they cannot cover the waterfront. and specialisation - practised with success by the Thunderbird School and the University of South Carolina - is according to Schmotter the key to market share.

The European model, he con-

cedes, is finding converts in tha US and schools there "face sophisticated competition... for the best students, faculty and corporata support". "MBA education," ha

adds. "Is a global phenomenon."
That in part explains why much
of Schmotter's analysis is echoed in Europe: the growing PR awareness is particularly marked, and course reform is exemplified by the growth of distance learning, the sometimes discreet trimming of two-year MBA programmes and the development of intra-European networks. Leagua tahles and other forms of independent ranking may become more widespread, not least if the impasse over plans for a common European system of accreditation is not broken.

Schmotter's thesis is one of opportunity as well as challenge, and in the UK there is arguably plenty of both. A recent Institute of Management survey reveals almost a third of UK companies admit to spending no time on management training, while other evidence suggests most UK companies are pleased if they devote 2-3 per cent (against the 25-30 per cent cited by many Japanese executives).

As with the shoe salesman who returned disconsolate from Africa to say that everybody there went around in bare feet, such statistics can be read in more than one way.

CONSTRUCTION CONTRACTS

plant for Glasgow

BALFOUR BEATTY has commenced work on a £20m management contract to provide a fully serviced printing plant for the Scottish Daily Record and Sunday Mail at "Fifty Pitches" in Cardonald,

The works comprise a press hall, reel store, inserting area. despatch and publishing area, associated ancillary buildings together with all external works. The site is planned to he operational hy the beginning of 1995, which will coincide with the 100th hirthday of the Daily Record.

Traffic congestion

Mid Glamorgan County Council has awarded CHRISTIANI & NEILSEN the £11m plus contract for huilding the new Pontypridd inner relief road. Construction starts soon and completion is dua within three

The relief route - a mixture of new construction, road wid-ening and improved traffic management - will relieve congestion in the town centre of Pontypridd. Traffic from the Rhondda Valley will he speeded up on its way to the A470 Cardiff-Merthyr Road, via a new interchange to the east of the town.

Bridge ventures

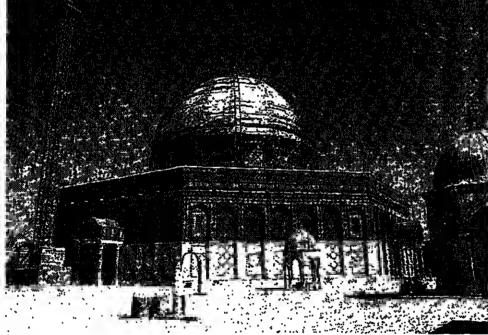
BRIDON ROPES bas heen awarded two bridge contracts worth £2.5m. The two cable stayed bridges are the Second Severn Crossing, downstream of the current Severn Bridge. and the Glebe Island Bridge, across Johnstons Bay in Sydney Harbour, Australia. which will be of a similar scale to the existing harbour hridge.

Hanoi airport

JOHN LAING INTERNA-TIONAL has signed an agreement with the government of Vietnam for the design, construction and operation of a new International passenger terminal at Noi Bai Airport in

The agreement allows a joint venture partnership between Laing and the Northern Airports Region in Vietnam to be the owner of the terminal.

Newspaper Restoring holy building



METADALIC, part of the C.P. Gronp hased in Hayes, has been awarded a contract worth supply materials and full tech- old City of Jerusalem.

nical support to the gold plating of a new dome on the famous Dome of the Rock mosque (pictured above) in the

worth in the region of £5m, is proceeding to schednle with completion expected in Decem-

ried out will involve tha instal-

lation of all shop floor services

including underfloor heating,

refrigeration units, checkouts,

cash transfer systams and

security systems. All back-up

services for the coldrooms,

freezers, ambient storage, bak-

ery and food preparation areas

Building work is due for

completion in February 1994

and the store will open in

will also be installed.

New superstore for Berkshire town required special preparation

before huilding work could

begin. This involved clearing

waste materials and stripping

off contaminated top soil up to

As well as the construction

of the store, petrol station and

creation of a 667 space car

park, Bovis is managing associ-

ated roadworks which will cre-

The P&6 company BOVIS CONSTRUCTION has hegun work on a £10.5m contract to huild a 67,000 sq ft superstore for Safeway in Reading, Berk-

Road, the new store will also offer a range of other facilities including a petroi station, post office, restaurant, bahy changing rooms and a dry cleaners. Originally a rubbish dump

Situated on Basingatoke

and later a car showroom and

servicing facility, the site

ate a new roundabout and access to the store. Bovis will also fit out 35,000 sq ft of sales floor area in a

£36m orders won by Lovell Group

a depth of 6m.

The three companies within the construction division of the LOVELL GROUP bave won contracts valued together at

Within this total, the Lovell Construction workload of £19.3m includes a variety of office, transport and residential work. Among the office contracts are a £1.9m refurbishment for London & Leeds Estates in the Strand, bomh damage re-instatement of £1.16m in the City, a £1.1m project for the Automohila

Association at Basingstoke and fitting-out for Zeneca at Stanhope Gate W1.

In the transport field, work at Heathrow and Stansted Airports, Euston Station and tha Central & District Underground lines combine to total

Residential contracts of 66.55m include work for the City of Westminster on the Queen's Park Estate W10, the Samuel Lewis Housing Trust at Beckton, English Churches

ster, the Civil Service College at Ascot, and the University of

Brighton. Walter Lilly & Co has obtained work totalling over £7m in the London area. New clients include QPR Foothall Club, Queen's Park United Reformed Church and Nonsuch High School in Cheam.

In the Midlands and North of England, Bullock Construction has been awarded contracts worth £9.6m, mainly in the educational and housing sec-

£35m work awarded to **Try Group**

TRY GROUP has been awarded contracts valued at £35m for its construction, refurhishment and civil engineering businesses, two thirds of it through negotiation.

Among £16m worth of work for Try Construction is the £5.7m refurhishment of "C" wing, at Wandsworth Prison. for the Home Office. Cells will be upgraded and group association areas refurbished. All mechanical and electrical, lighting and alarm systems are to be renewed and a new roof installed.

The £2.5m refurbishment of the Queen's Clnh tennis and leisure centre in Hammersmith involves upgrading the pavilion and constructing an extension to provide a multi-func-tion room, kitchen and staff

Try Build has secured £10m worth of work, half of it arising from three contracts, the construction of St Joseph's Hospice, Hackney (£1.8m), a retail fit out at Basildon for British Home Stores (£1.9m) and the refurhishment of Friern Barnet School for the London Borough of Barnet. CBM Construction, has won work valued at £3.8m, including a £1.5m sixth form college

Thermal power

CEMINDIA, part of Trafalgar House Construction, has secured new orders worth

at Notre Dame School, Leeds.

The largest is a £5m contract from the Tamilnadu State Elec-tricity Board for the civil works for a coal handling plant which forms part of a new thermal power project.
The company has begun con-

structing diaphragm walling so that deep excavation for the wagon tipplers, unloading hoppars and emergency reclaim hoppers can take place. Work on the installation for

the batching plant and piling work for the stacker reclaimer freight carriers. system and other conveyor systems is currently under way. The project is scheduled British Waterways, the nationalised body that runs the for completion at the end of canals, resarvoirs, towpaths next year. and huildings, they have recourse to BW's complaints The company has also won a

£1.1m order to construct a berth for the Calcutta Port Trust at the port of Haldia in

PEOPLE

Rhodes switches to Thorn lights

Thorn Lighting Group has lost little time in making fresh main board appointments following its sale to Investcorp, the Bahrain-based investment hank, which in June this year paid £162m to Thorn EMI in what was effectively a management huy-out. According to Investcorp, Thorn Lighting will be seeking a flotation in the medium term. Phillip Rhodes (right), a 46-

year-old chartered accountant. has joined as chief executive covering the UK, Ireland and central European territories; Michael Frye, 47, chief executive of the engineering and machine tool manufacturer B. Elliott, becomes a non-executive director with special responsibility for Thorn Lighting's architectural lighting initiative and design issues. They join a main board of



seven, and also a management executive board of nine. Rhodes was a main hoard director of the commercial support services group BET between 1989-92, overseeing (as divisional chairman) the group's textila rental, contract catering and facilities manage-

Europe. Before that he held various posts with Guinness. "There are lots of similarities in the marketing mix", of both Guinness and Thorn. says

Rhodes, a believer in general management "being a univer-sally applicable skill". Thus although there might seem to be a substantial leap from spirits to lights and "our customers are not consumers in the same way, we nevertheless have to serve them efficiently

As happened with its sale of Kenwood Appliances and Thorn EMI Software to their managements, Thorn EMI retains a stake in the new Thorn Lighting company. The parent company receives £137m in cash, a 12 per cent equity stake, worth £8.7m, and £16.3m in subordinated loan notes.

Bodies politic



Bridget Bloom, formerly agricultural correspondent of the Financial Times, has been made a part-time commissioner of the Forestry Commission. The appointment comes as the future of the Commission is

procedure. If still not satisfied,

Lady Ponsonby is their last

being reviewed by an interministerial committee, with privatisation an option. Bloom, 56, was the FT's

ment in the UK, US and

Africa and later its defence correspondent, before taking up the agriculture heat. Sha retired from the paper last year and is a part-time commis-sioner of the Meat and Livestock Commission. While writing for the FT she was strongly critical of government forestry policy, until the

sions that had encouraged wealthy individuals to invest in large-scale tree-planting. Seven of the 11 members of the Forestry Commission, its board of directors, are non-ex-

abolition in 1988 of tax conces-

The performance of the nonaxecutives is strongly criticised in a submission by the Institute of Chartered Foresters to a government review. The

Institute said it suspected that improvements in the running of the Commission had been "achieved in spite of the nonexecutiva commissioners, not because of them".

Barry Goddard, executive director of the Council for Travel and Tourism, has also been appointed secretary general of The DUTY-FREE CONFEDERATION. James Gilmnre has been appointed deputy director general of CAB INTERNATIONAL, an intergovernmental

conservation of natural resources. John Llott, md of R.S. Kennedy and Co. has become a companion of the

organisation providing services

to agriculture and the

ENGINEERS.

Lady Ponsonhy of Shuihrede No nne really knows how has been appointed Waterways husy she may turn out to be: Ombudsman, largely, she British Waterways says it heliaves, nn the strength of keeps no overall record of how her experience as a barrister many moaners it gets annuand arbitrator. Every year milally. But Lady Ponsonby is not lions of people use Britain's one of them; she acknowledges canals: boaters, anglers, and never having taken a canal boat holiday, "though I have walked along a good few tow-If they have cause to com-plain of maladministration by

paths" During her three-year contract, Lady Ponsonby, 61, plans to stir the waters a bit: "British Waterways will have to abide hy my decisions, and if they don't like them, too bad - they're stuck with me," she



ne of one of the tenking mar

dass in a subles we

1 1: 13: pians for

entiation : "1 - 20,52 Alten 4.

themasser - : - - one of

Control of the contro

entitell for bei fer dan

Material of the Treety

DAY A SECTION OF THE PERSONS \$14 to 17 . 1 ". to litte at

Begenteret in the state offer

from some of the pros

4 A74 Partie 12 11 -1 Street 2

E sales in the sales of the sales of

A ARB I STANKER WA

stand for the first manner

THE PERSON OF THE PARTY AND

und in bury or our distance

Section of the section

PRACTICL OF CHARM

A SEPTEMBER 6 1993

despite announced throat complaints. It also had its no-nos (the most lacklustre opening concert anyone can recall) and its lulus (the theme of James MacMillan'a music "in focus"). Yet Edinburgh's remains a uniquely beloved festival, not least because of Edinburgh itself. Some of the critics who complained loudest about indi-vidually disappointing events in 1993 nonetheless spoke of their great happiness in being here again. One rea-son for that was this year's glorious weather, which made the architec-

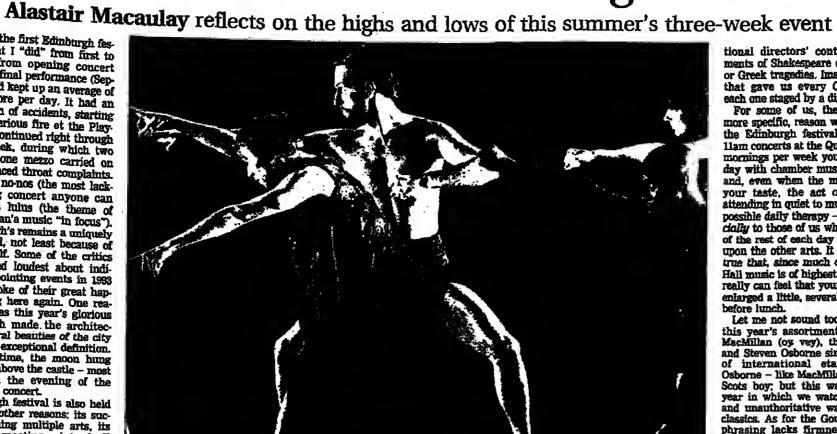
tural and natural beauties of the city stand out with exceptional definition.

Even at night-time, the moon hung

low in the sky above the castle - most

memorably on the evening of the great fireworks concert. The Edinburgh festival is also held dear for three other reasons: its success in combining multiple arts, its function as a meeting-point of all manner of people interested in the arts, and the lively co-existence of official and fringe events. So what if Aeschylus was mauled by a charla-tan? So what if Julius Caesar kept being drowned by airplanes, tractors and a grain-dryer? So what if the three Lenz plays showed very well why we have seen so little Lenz before now? You had only to go to Holbein, or the Lindsay Quartet, or The Broken Jug, and you fell in love

with the arts all over again. But this has been true of Edinburgh for donkeys' years. What of the festival under Brian McMaster? Well, yon could tell that he had an audacious penchant for the unorthodox last year, when he launched his regime with Schoenberg's Moses und Aron. (Nobody dared make the old crack 'Are you sitting comfortably? Then I'll play you some Schoenberg.") He



Brian McMaster's Edinburgh festival

Dissidence and modernity: Mark Morris Dance Group at the Edinburgh festival

has suffused his festival with a mentality both international and fringe as I realised last Friday, after a day that had included a morning lieder recital by a German thalidomide basso, a matinee play-reading of Jakob Lenz's The Soldiers, an evening concert of minor Janácek and minor Schubert, and a late-night concert by

a Catalan protest singer.

For many of us, the main fun of the Edinburgh festival lies in what it teaches us that we never knew before. These days, the festival has specific themes, and this appeals to the eter-

nal student in me: I arrive looking forward to a three-week course in subjects about which I know too little. But 1993's themes were an odd bunch. The Schubert/Janacek theme was designed less to cover either composer properly than for compare-and-contrast purposes, not often to stimulating effect. The Verdi "from first to last" theme omitted so much of Verdi "in between" that it proved a wish sandwich. And the MacMillan theme has put scores of us off his music for good. Next year's themes, it is said,

will include Goethe and Beethoven:

which Edinburgh should be able to serve judiciously. The most successful 1993 theme was the bringing together of the work of

four of today's most celebrated for-eign theatre directors - Peter Sellars, Robert Wilson, Robert Lepage, Peter Stein (though it is revealing that the festival's most perfect - and most beautifully acted - production of all was Thomas Langhoff's account of Kleist'e The Broken Jug). Here is a theme I would love to see taken further, Imagine, for example, a festival where we saw four or more interna-

tional directors' contrasting treatments of Shakespeare or Ibsen plays; or Greek tragedies, Imagine a festival that gave us every Chekhov play, each one staged by a different master. For some of us, there is another,

more specific, reason why we cherish the Edinburgh festival: namely, the llam concerts at the Queen's Hall. Six mornings per week you can start the day with chamber music or a recital, and, even when the music is not to your taste, the act of sitting and attending in quiet to music is the best possible daily therapy - perhaps espe-cially to those of us who spend much of the rest of each day focusing more upon the other arts. It is strange but true that, since much of the Queen's Hall music is of highest standard, you really can feel that your life has been enlarged a little, several days a week,

Let me not sound too lyrical about this year's assortment. Apart from MacMillan (oy vey), the Gould Trio and Steven Osborne simply were not of international etandards. OK Osborne - like MacMillan - is a good Scots boy; but this was the second year in which we watched his tense and mauthoritative way with piano classics. As for the Gould Trio, their phrasing lacks firmness, and their violinist is slipshod. But the recitals by Anne Sofie von Otter, the Lindsay Quartat, Yuri Bashmet, Dawn Upshaw, Andras Schiff, Thomas Quas-thoff, Sylvia McNair – each of these was a special event, memorable and

This year (and last, and next), there has been one ideal Edinburgh artist, the choreographer Mark Morris - who is both international and fringe, theatrical and musical, alternative and classical, and who is plainly one of the superlative artists of our day. His theatrical visions - just see Grand Duo and Home . are equal to those of the above theatre-directors. There is enough dissidence and modernity in Morris to suit him to McMaster's spirit, and McMaster has responded by making sure that Morris's dances are accompanied by world-class musicians. Sight and sound are thrillingly, and festively, conjoined.

John Guare's Six Degrees of

Separation in this thaatre:

Phyllida Lloyd as director and

Mark Thompson as an excel-

Others, however, may prefer the more serious parts which centre on Freud as analyst and

theorist and possibly Freud as

a fraud. It is alleged that he

changed his views when he

saw how oddly they fitted with

I am pnable to comment on

how far that is true. The cen-

his own family background.

lent designer of sets.

Sponsorship / Antony Thorncroft

Fears for live events funding

scrap of it known as tha arts sponsorship world, was amazed when the Association for Business Sponsorship of the Arts came up with a figure of 264.4m for corporate expenditure on the arts in 1991-92 and predicted that there might even be a slight increase this year. If ABSA wants to ensure that its forecast comes true it need only add in the £4.5m that Classic FM has raised through sponsored programmes in the

It is hard to argue that the Classical Gas programme, sponsored by British Gas on the station; Classic Verdict, which appears thanks to Cleri-cal & Medical, and the station's Summer Music Festival programme, sponsored by Kenco (impressed by rival Nestle's success in underwriting the charts on pop commercial radio) are not a form of arts sponsorship. Certainly the latest initia-

tive, a £100,000 investment by Prudential to ensure that its sponsorship of the Prudential Awards for the Arts is better known, is designed to help the arts world. Through the coverage, the 4.5m listeners of Classic FM, will hear all about the activities of short-listed companies like Théâtre de Comphcité, Opera North, and the Shobana Jeyasingh dance troupe, and will be encouraged to see

There is a fear that the money spent on sponsoring arts programmes on television and radio, which is now being actively encouraged by the media involved, will take away funding traditionally pnt behind live events. There is the possibility that soma companies will feel happier investing in media, which they under-stand through their advertising expenditure, rather than in sponsorship. But TV and radio coverage will need the events of the living arts to promote, and anything that gets business thinking about the arts as a marketing outlet, rather than traditional brand and corporate advertising, is a good

Slowly, almost imperceptibly. ABSA Consulting is being launched on to the world. It is a risky business for the Association for Business Sponsorship of the Arts, a charity designed to increase corporate funding of the arts, to start up a commercial subsidiary. It has traditionally given free advice to its

corporate members. a quick opinion about a new sponsorship, or a run down of opportunities in the dance field, say, or in drama, ABSA will still weigh in with its experience. But if you are a long-term sponsor who is thinking of revamping its sponsorship programme and needs an audit of past activities and some considered research into potential commitments, or a totally new sponsor looking for guidance and perhaps a packaged arts programme, then ABSA Consulting will charge you the rate for the job based on its hours of research and its lengthy documentation, prepared by still to be recruited internal consultants.

ABSA has always been a big player behind the scenes. It advised Digital when it launched its rescue programme

dance, and helped English Estates with its important educational work. In future such time-consuming advice will be costed. ABSA's task is to ensure its hundreds of corporate members that they can still look to it for free day-to-day guidance on sponsorship matters.

The Barbican is the first arts organisation (festivals excepted) to take full advantage of the extra cash available under the re-vamped Business Sponsorship of the Arts scheme, which this year has £4.5m of government money to hand out as encouragement to arts sponsors. Since April the maximum top-up for an arts company with a sponsor in tow has increased from £25,000 to £35,000, and, more importantly, during a year it can make four applications (instead of two) and receive a maximum of £50,000 in state aid, double the

old limit. The Barbican secured lts £35,000 when the German bank Norddeutsche put up the same amount to underwrite an exhibition of the work of Mucha, and quickly reached its £50,000 limit when Levi's backed the exhibition of photographs by Bill Brandt, which also opens this month.

So far nine arts companies have qualified for the £35,000 boost, mainly festivals, like the Brighton and the Covent Garden, but also exhibitions, like the Holbein show at the National Gallery of Scotland, backed by Capital House Investments, a first time spon-sor. Another first time sponsor qualifying for £35,000 is BUPA, which is supporting the Council for Music in Hospitals in a

number of events this year. Applications for BSIS cash provide a good monitor of the state of the arts sponsorship industry. ABSA, which administers tha scheme, is actually turning away more applicants this year, especially those arriving late. All told it expects to receive a record 600 requests this year, suggesting that arts sponsorship has ridden out the recession better than most.

Tate & Lyle, as a member of the Per Cent Club, devotes a proportion of its profits to good works, of which the arts merit 15 per cent. Most of this, £120,000 over the past three years, has naturally gone to the Tate Gallery, founded by Henry Tate in 1897.

The link is due to end next month but already the search tion. In the past Tate & Lyle has sponsored the Friends of the Tate, providing the seed corn money which has enabled the Friends to grow in numbers and revenue. The Friends contribution to the Tate Purchase Fund now approaches £100,000, and included the commissioning of the Patrick Heron coloured glass window in the new Tate St Ives.

The London Philharmonic Orchestra has just returned from a twelve concert tour of South Africa. It is the first visit to the country by an important British arts company for many decades. The tour was spon-sored by Nedbank, a leading South African banking organisation, for an undisclosed but "substantial" sum, presumably around £100,000.

The Proms/Paul Griffiths

Asko Ensemble

IF YOU schedule a programme thing to a sudden stop with a of new music at ten on a Thursday night, you get the audience you might expect: this was a Queen Elizabeth Hall concert with the gloom and the boom of a nine-tenths empty Albert Hall around it. There at the middle the Asko Ensemble of Amsterdam were playing brilliantly under the young British conductor Jova-

Of the four pieces, there were recent chamber concertos, all with the virtuoso soloist being chased and filigreed by musicians of similar skills and intensities, Ligetl's Piano Concerto came off best, perhaps because its fascinations drew the ear into intimacy through all the echoing space. Ligeti has related his astonishing music of the last decade to fractal geometries, and the Piano Concerto supports that connection with its swirling detail, its ceaselessly reinterpreted patterns and its suggestions of things wa know: Baroque toccatas, the exultant pulsations of Afro-Caribbean folk music, wan smiles of fad-

As this performance demonstrated, it is also a comedy especially for the percussionist who tails the piano in a manner at once manic and silly, and who brings the whole

. . .

ing Romantic pathos, brassy

sharp knock on the woodhlock. But everyone was on excellent form, from the racing-fingered Roland Pontinen at the piano to the poetic double-bass

The other mini-concertos both featured the violinist Irvine Arditti. Luca Francesconi's Riti neuroli was again music of echoes, but more deliberately so, the work of a Berio pupil in having a soloist who is part Paganini, part folk fiddler playing into the reverberations of a small orchastra. Brian Ferneyhough's Terrain, new last year, lost most from the scale of the place. Mr Arditti's solo line, almost uninterrupted through the 12 minutes of the piece, was full of nimble wonder, but diluted by distance from fervour (the characteristic first marking is "tense, electrified") into some thing more like grace, as if the violin were a bird skimming over a landscape of rolling harmonic hills and fizzier things from an octet borrowed from Varèse's Octondre.

That homage was followed by the bursting, vital reality of Varèse in a performance of integrales which Mr Nott ably heaved and steered without a score through all its splendour, crackling percussion configurations and lonely, finely played oboe melody.

Theatre/Malcolm Rutherford

Hysteria at the Royal Court the same team that gave us

ALMOST the best line in the new play at the Royal Court is the first. The central character sits motionless in his chair long enough to be convicted of hamming. Then he opens with: "If you are waiting for me to break the silence, you will be deeply disappointed."

This is also the last line of the play. For given that the central character is Sigmund Freud, you would expect a certain synthesis, synthetic or otherwise. In the meantime we have been on a rare helterskelter that opens like a mys tery-thriller, moves quickly into farce, then has long periods of semi-seriousness. Enjoyment of Terry John-

son's Hysteria will depend almost entirely on your mood on the night. Having returned from duty at the Edinburgh festival, I was looking for fun and a touch of southern frivolity, and very good some of it turns out to be. It is pleasing to hear that Freud had recently the West End and had laughed four or five times. Since laughter for Frend was clearly a serious matter, that is a lot.

I also enjoyed seeing Johnson emulate some of the best of tha farce tradition: a naked girl, the daughter of the subject of one of Freud'a case studies, hidden in the closet, and Salvador Dali, wonderfully



Henry Goodman (Freud, seated) and David de Keyser in Hysteria

about in his underclothes The inevitable line takes a long time to come, but is worth London in 1939. Freud trips choice of plays. This is partly

played by Tim Potter, prancing over the carpet. "It was only a Freudian slip," is the natural response. It is a pleasure, too. to find the Royal Court taking such an eclectic approach to its

were both frauds, though of a different kind, seems slightly

implausible. Freud at least had a degree of seriousness which has passed into almost everyone's consciousness. Still, the equation between the two is something that theatre audiences in the right mood might like to discuss afterwards. There is also a Jewish doctor who goes on about Freud and Jewishness and a thesis that Moses was an Egyptian which, tha doctor says, ought not to be published in the late 1930s. Some people might like to take For my part, I preferred the funny bits. Henry Goodman is

a compelling Freud, but the mix is not quite right.

Royal Court Theatre (071) 730-1745.

INTERNATIONAL

BERLIN

BERLIN FESTIVAL

 This year's theme is Japan and Europe. New Symphony Orchestra of Tokyo gives a concert tomorrow at the Philharmonie. ichikawa Ennosuke'a Kabuki Theatre group gives performances at the Deutsche Oper from Thurs till Sun. Jiuta Mai Dance Ensemble can be seen at Schlosstheater Potsdam on Wed, and at Staatsoper unter den Linden on Fri and Sat. The Tokyo Ballet is in residence at the Deutsche Oper from Sep 21 to Oct 7. An exhibition entitled Japan and Europe 1543-1929 opens at Martin-Gropius-Bau on Sun, with more than 500 objects tracing the development of Japanese art and the influences which Japanese and

European artists have had on each Claudio Abbado conducts the Berlin Philharmonic Orchestra tonight at the Philharmonie In a programme of Rakhmaninov and Tchalkovsky, with piano soloist Lilya Zilberstein. Other concerts at the Philharmonie and Kammermusiksaal

this week feature Cherubini Quartet (tonight and Wed), Bavarian Radio Symphony Orchestra with Lorin Maazel (Thurs), Ensemble Modern (with Henze's new Requiem on Fri), Berlin Philharmonic under Claus Peter Flor (Fri and Sat), and Berlin Radio Symphony Orchestra with Vladimir Ashkenazy (Sun). Next week'e programme includes concerts conducted by Klaus Tennstedt and Roger Norrington. Holliger conducts the Berlin Staatskapelle on Thurs in works by Holliger, Berg and Mahler (with violin soloist Thomas Zehetmair),

and Gustav Kuhn conducts Berlin Radio Orchestra on Set In Rakhmaninov, Beyer and Brahms. L'Homma qui, Peter Brook's latest theatre piece, runs at Berliner Ensemble till Sep 15. The festival runs till Sep 30. The festival office is at Budapester Strasse 48 (information 254890

ticket reservations 2548 9100)

OTHER EVENTS The 1993-4 season at the Komischa Oper begins on Fri with the first night of Harry Kupfer's new production of Rimsky-Korsakov'a Tsar Saltan. Repertory over tha following two weeks includes Kupfer productions of Glullo Cesare, Gluck's Orfeo, Cosi fan tutte and Les Contes d'Hoffmann, all sung in German (229 2555). Staatsoper unter den Linden has Les Contes d'Hoffmann tomorrow and I Capulati e i Mentecchi on Wed and Sat (200 4762). A new production of Cabaret starts previewing at Theater des Westens on Sat, first night Sep 17 (3190 S193). The ensemble of the

Deutsche Oper is in Japan until Tickets and information for

theatre, revues, concerts and nightclub shows available from City Center Theater und Konzertka Kurfürstendamm 16 (tel 882 6563) fax 882 6567) and Theaterkasse im Europa-Center (tel 261 7051 fax

■ NEW YORK

THEATRE Later Life: A.R. Gumey's much-admired comedy about a man and woman who meet after a 30-year separation. Now previewing, opens on Thurs (Weetside, 407 West 43rd St, 307 4100)

 The First Lulu: an adaptation of Wedeldnd'e Pandora's Box, about an uninhibited sexual force that drives men and women to distraction in patriarchal Europe, sterring Elise Stone (Bouwerie Lane Theatre, 330 Bowery, 677 0060)

 Einstein: a one-man show about the renowned physicist, written and directed by Joel Selmeier, starring Richard David Springle. Till Sep 18 (The Acting Company Studio Theatre, 420 West 42nd St, fourth floor, 718-852 5824) Angels in America: the first half

of Tany Kushner's epic, freewheeling olev about day life, Reagan-era politics and Mormonism. Not to be missed (Walter Kerr, 219 West 48th St, 239 6200)

 The Sisters Rosensweig: Wendy Wasserstein's play, a comedy with serious undertones, about the reunion in London of three American

Jewish sisters (Ethel Barrymore, 243 West 47th St, 239 6200) Kiss of the Spider Woman: a Kander and Ebb musical, based on the novel by Manuel Pulg, directed by Harold Prince with a star performance from Brant Carver (Broadhurst, 235 West 44th St. 239

composed by Pete Townshend, based on the classic 1969 rock opera by The Who and directed West 44th St, 239 5200) Fool Moon: a comic entertainment written by and starring David Shiner and Bill Irwin, with music by the Red Clay Ramblers

Tommy: a musical written and

St 307 4100) Oleanna: David Mamet'a much-talked-about drama about a university professor and a young femala student, with Jim Fragione and Mary McCann (Orpheum, 126 Second Ave. 307 41003

(Richard Rodgers, 228 West 46th

 Blood Brothers: Wilty Russell'a musical about twins who, separated at birth, eventually meet and fall in love with the same girl (Music Box, 239 West 45th St, 239 6200)

MUSIC/DANCE

State Theater The first new production of New York City Opera's current season is Tippett's The Midsummer Marriage, first night on Thurs. Christopher Keene conducts a staging by Francesca Zambello. Repertory also includes Madama Butterfly, Turandot, Carmen and The Mikado (870 5570) Avery Fisher Hall Harry Selafonte gives concerts on Thurs, Fri, Sat. The New York Philharmonic

Shostakovich programme conducted by Kurt Masur, with violin soloist Carnegie Hall The season begins on Sep 23 with a concert by the Philadelphia Orchestra conducted by Wolfgang Sawallisch, with violin soloist Midori (247 7800) Metropolitan Opera The 1993-4 season opens on Sep 27 with a gala celebrating the 25th anniversary of the Met debuts of Luciano Pavarotti and Placido Domingo (362

Orchestra taunches its new season

on Sep 22 with a Beethoven and

PARIS

MUSIC/DANCE The Orchestre de Paris opens

its 1993-4 season on Seo 15 at Salle Pleyel with the first of two programmes devoted to the music of Richard Strauss. The first programme (repeated Sep 16 and 18) features Maria Ewing in the final scene of Salome, while the second programme (Sep 22, 23, 25) features Margaret Price in the Four Last Songs. Next month's concerts are conducted by Giulini, Boulez and Bychkov (4563 0796

 The Opéra Bastille reopens on Sep 23 with a new production of Der fliegende Hollander, staged by Werner Herzog and conducted by Myung-Whun Chung, with Falk Struckmann in the title rola and Sabine Hass as Senta. Roman Polanski'a production of Les Contes d'Hoffmann is revived on Oct 9 with David Rendell in the title role (4473

1300) Felicity Lott stars in a new

production of Der Rosenkavalier, which opens the Châtelet'e season on Sep 24 (repeated Sep 27, 29, Oct 3 and 5). Adolf Dresen produces, Armin Jordan conducts and the orchestra is the Philharmonia (4028 2840) The dance season at Palais Gamier reopens on Sep 29 with a gala including choreographies by Bessy, Lander and Forsythe (4742 5371)

FESTIVAL D'AUTOMNE Highlights of this year'e festival (Sep 21-Dec 30) are Bob Wilson's stage adaptation of Virginia Woolf'a Orlando staming isabelle Huppert, Büchner's Woyzeck staged by Jean-Pierre Vincent, Giorgio Strehler's touring production of Goldoni's Le baruffe chiozotte and Peter Selfars' modern version of Aeschylus' Tha Persians. The dance programme features the Twyla Tharp, Lucinda Childs and Bill T. Jones companies, plus Jan Fabre and Anne Teresa de Keersmaeker. The music programme has an American slant, with a special focus on Steve Reich, John Adams and John Cage (4296 9694)

Théâtre de Gennevilliers opens the new season on Sep 15 with Shakespeare's King Lear, directed by Bernard Sobel (4793 2630). Théâtre Nanterre-Amandiers reopens on Oct 1 with Eugene O'Neill'a Desire under the Elms, directed by Thomas Langhoff (4614 7000)

THEATRE

 A 24-hour recorded telephone guide to Paris entertainments is available in English by dialling 4952 ARTS GUIDE

Monday: Berlin, New York Tuesday: Austria, Belgium, Netharlands, Switzerland, Chicago, Washington. Wednesday: France, Germany, Scandinavia. Thursday: Italy, Spain, Athens, London, Prague. Friday: Exhibitions Guide.

European Cable and Satellite Business TV (All times are Central European Time)

MONDAY TO THURSDAY Super Channel: European Business Today 0730; 2230 Monday Super Channel: West of Moscow 1230. Super Channel: Financial Times Reports 0630 Wednesday Super Channel: Financial Times Reports 2130 Thursday Sky News: Financial Times Reporte 2030: 0130 Friday Super Channel: European Business Today 0730; 2230 Sky News: Financial Times Reports 0530

Financial Times Reports 0930 Sky Newe: Weat of Moscow 1130; 2230 Sunday Super Channel: West of Moscow 1830 Super Channel: Financial Times Reports 1900 Sky News: West of Moscow 0230; 0530

Sky News: Financial Times

Saturday Super Channel:

Samuel Brittan

How the wealth of nations changes



possessed by economic ana lysts at the heart of the US, well away from the short-term preoccupations of Washington and New York,

is that they have more incentive to study underlying processes. The Federal Reserve Bank of Minneapolis takes advantage of its situation to do just this; and it devotes the spring 1993 issue of its Quarterly Review to a study of changes in the wealth of

The slogan of the growing gap between rich and poor nations has been with us for a long time. But the analysis in the review suggests that it is a highly misleading one. After carefully inspecting standard international data for the period 1960-85 it concludes that there is indeed a huge disparity in the performance output of different countries. The five countries in 1985 with the highest per capita real GNP had output 29 times as high as the five with the lowest real GNP.

For comparison, the per capita output of the most prosperous US state, Connecticut, was only twice as high as the poorest, which was Mississippi. On the other hand the disparity in output between the least and the most productive workers in the US, as in most other west-ern countries, was almost as great as that between rich and poor nations. (Relative productivity is here measured by pay differentials, which would

enrage some egalitarians.) On the other hand there was no tendency for the international gap either to grow or to shrink. Measured in terms of relative GNP per capita, the gap was much the same in 1985 as in 1960. But this does not mean that countries were frozen in their relative positions. On the contrary, there were hig changes in the identity of those at the top and bottom of the world distribution.

There are of course well-known difficulties in taking relative GNP figures as indices of living standards. It is

DEVELOPMENT MIRACLES AND DISASTERS, 1960-85

Increases in Country	relative wealth Factor change	Decreases in relative wealth Country Factor change						
Saudi Arabia	3.32	Zambia	2.63					
Lesotho	3.19	Mozambique '	2.63					
Taiwan	2.60	Medagascar	2.50					
Hong Kong	2.59	Angola ·	2.38					
South Korea	2.40	Chad	2.13					
Egypt	2.38	Liberia	2.04					
Congo	2,18	Ghana .	2.00					
Japan	2.10	Zaire	1.96					
Singapore	2.09	Nicaragua	1.85					
Syria	1.89	Afchanistan	1.7\$					

doubtful if a city dweller in the US could physically exist on an income one twenty-ninth of the national average. But, for all their failings, the GNP estimates provide at least a starting point for analysing international differences.

Source: Federal Reserve Benk of Minnespot

The table shows some of the main development "miracles" and "disasters". It is based on the relative wealth of each country, defined as the ratio of its GNP per head to that of the US. The Federal Reserve authors go on to define what they call the "factor change" as the ratio of relative wealth in 1985 to that in 1960.

At the head of the miracle countries comes Saudi Arabia. whose relative wealth bas risen by a factor of more than three. One only has to utter the word "oil" and pass on. Next in the list is Lesotho in south-east Africa, which had an enormous growth opportu-nity, as in 1960 it figured as the poorest country in the world. The Congo is another surprising miracle case which must have started from a pretty low base. These examples show the snags that exist even in the most sophisticated of international league tables. The other miracla countries are more predictable: Japan and some of the south-east Asian "tigers",

plus Egypt and Syria. Among the development disasters where relative wealth fell was Zambia, which fell by a factor of more than two and a half. Sadly it is followed in the disaster league mostly by other African countries. The two non-African basket cases are Nicaragua and Afghanistan - both ravaged by civil war. There are no prizes for guess ing which part of Europe might bave graduated to disas ter status if the tables could have been axtended to 1993.

Explanations of these relative wealth changes are inevitably more speculative. The authors show once again that mechanistic models based on amounts of standardised labour and capital used do not explain comparative performance. The unexplained residual has often been attributed without adequate evidence to human capital, which is naturai anough for writers working in higher education. But the Minnesota authors are unconvinced and suggest the missing factor is one that they call business capital. This is not the same as physical investment, but is some mixture of entrepreneurship and organisational skill.

The Minnesota attempts to model this factor as a kind of inverse of taxes on profit and capital is less convincing and carried out in terms of abstract algebra rather than examination of actual data. Why do US economists have to downgrade history, culture and plain luck in an exaggerated attempt to be useful policy

But for all its imperfections, the Minnesota Review analysis is a big advance on the typical muddle-headed condemnation of the west for the poverty of the poorer countries or for the conventional guilt-ridden *Research Dept, Federol

Reserve Bank of Minneapolis, PO Box 291, Minneapolis, Minnesota 55-180-0291

On the lookout for ritain, according to many trade unionists. is an increasingly unpleasant place in which to work. A shrinking number of employees, they argue, enjoys "steady jobs" offering security and prospects, the vision thing while a growing army of work-ers - from highly skilled professionals to labourers – is sub-

David Goodhart on the need for fresh ideas at this week's annual gathering of the battered TUC

Much will be heard about this Britain at the 125th annual that they are disappearing with scarcely anyone noticing. gathering of the Trades Union In many other workplaces the Congress which opens today in union presence is poised on a knife edge, with employers Brighton. But not many of the 1,000 delegates will be now considering whether the hassle of getting rid of them is ber of people reaching for the worthwhile," says Mr Alan Cave, a management consultant and former head of is falling. Even in the late research at the GMB general

ject to the hire-and-fire whims

of hard-pressed, or plain ruth-

re<u>fle</u>cting on why, if working

life is so unpleasant, the num-

protection of the trade unions

1980s, when more than 1m jobs were created, the trend was

downwards. Now, TUC-affili-

ated unions represent only 30

Moreover, the row over the

return of the Electricians Union to the TUC and other

domestic tiffs will distract dele-

gates from pondering what

trade unions have to offer their

other customers: employers,

not to mention the national

One person with longer-term

strategy on his mind is Mr

John Monks, 48, the thoughtful

new general secretary of the

TIIC who promises a relaunch

of his battered organisation

and, he hopes, the whole trade

The arrival of a new leader is

generating a flutter of opti-

mism among the trade union

elite that the movement can

make itself more relevant. On

the face of it, however, its pros-

pects are gloomier than ever.

Despite the loss of political

influence under Tory govern-

ments and the more restrictive

legal framework of the past

decade, British unions still

have an influence greater than

warranted by their actual

numerical strength in large

manufacturing plants and the

But that position is now

under serious threat, Financial

constraints, caused by falling

membership, will he exacer-

bated by government moves to

curb the automatic deduction

hy companies of trade union

More worrying for the

unions is the way in which the

withdrawal by employers of

union recognition, once the

exception, is becoming com-

mon. The oil industry provides

the latest example.
"In some workplaces, unions

have become so marginalised

public sector.

dues from wages

union movement

economy in the latter 1990s.

per cent of the workforce.

less, employers.

Many would regard that view as exaggerated, but certainly some union officials fear the devolution of decision-making to local managers in the public sector will threaten this heartland of trade unionism.

In sddition, in both public and private sectors, employers are increasingly removing their most-prized employees from collective bargaining and offering them individual con-

These trends towards derecognition may be irreversible, but there are other reasons for the decline of trade unionism which the TUC could address. In particular, union leaders need to improve their record of recruitment in those areas where new jobs are being created and among women, who are filling most new vacancies

Unions are still not femalefriendly organisations and, until recently, they have done very little on pushing for equal pay," says one woman union activist.

The middle-ranking supervisor or lower manager of "middle England" - pinpointed by Mr Monks as another key group needing union support -also still regards the unions with suspicion.

Ideally we would start again with a new name and without the clotb cap associations which the unions still have, says ona TUC official. "This should be a great time for union recruitment. The fact that it is not is more our own fault than down to employers or the government." Middle England is not at

ease with the unions' collectivist traditions or its Labour party links. Mr Monks, unlike the leaders of some of the big-gest TUC unions, is keen to



John Monks: thoughtful new general secretary of the TUC

Labour party and turn it into a much more apolitical lobbying organisation.

Even Mr Monks, however, is enough of a traditionalist to baulk at the argument that unions must accept the decline of collective bargaining and concentrate resources on assistance to individual employees, for example in negotiating individual employment con-

However, there is evidence that the tailoring of union activities to individuals has widespread support among union members, A 1992 survey hy the Nupe public services union found that, even among relatively low-paid health service and local government workers, advice on disciplinary issues and grievances came ahead of pay bargaining on the list of reasons for joining a

Unions are already providing

distance the TUC from the such legal services for many members and are effective at negotiating redundancy deals. Making a virtue of that and selling union membership as an individual's workplace insurance may run against the collectivist grain for many

unions, but it may be a neces

sary ingredient for survival. Yet to remain an effective mass-membership organisation, as opposed to just a political lobbying organisation as in France, will also require the union movement to keep at least tacit support from employers. That is a point Mr Monks acknowledges, boasting that some of the most efficient and successful companies in Britain recognise unions including most of the UK's 50 leading exporters.

According to Mr Robbie Gilbert, head of employee rela-tions at the Confederation of British Industry, unions still has the vision and in have a role in channelling the to prevent that fate.

employees' "voice" especially where there are large groups of workers who do not qualify for individual treatment

By increasing employee security, unions can also help in the management of change. At Rover Group, for example, the unions helped to negotiate a "no compulsory redundancy" agreement during the transition to Japanese style working practices. That has helped to allow considerable flexibility within the company because employees do not fear losing their jobs. Mr David Bower, Rover personnel director, also reports record numbers of employee efficiency suggestions - which last year saved

Unions, say consultants like Mr Cave, can provide a useful pressure on employers by "whistle-blowing" on everything from cutting training budgets to poor health and safety standards. Union lobbying, even on non-employment issues, for example on higher investment in research and development, can make a difference inside companies without requiring a formal apparatus of worker representation.

Unions also have a potential to act beyond the confines of individual companies. Unlike most companies, unions have links across whole industries which they can use strategi-cally, for example, by trying to establish a better trade-off between pay and jobs across a

sector. Mr Gilbert of the CBI suggests that unions could have a role in creating a better balance between employee secu-rity and labour flexibility. That could be achieved, he believes. be encouraging employees to develop mobile skills, rather than clinging to particular jobs. "That means unions lob-bying companies and the gov-ernment for the highest possi-ble level of training and retraining so that, if people do lose their jobs, it is not a disaster because they are readily employable elsewbere."

This is not an easy agenda 🥬 for unions. But there are some workplace trends in their favour. For example, the increased emphasis on teamwork production methods has the potential to increase shopfloor clout in large manufacturing companies.

The challenge for Mr Monks over the next decade is to ensure that union influence does not retreat - US-style into a few ghettos in manufac-turing and the public sector. This week he must show he has the vision and imagination

CHINA & EASTERN INVESTMENT COMPANY LIMITED

Preliminary Announcement of Final Results for the Year Ended 31st July, 1993.	1993	1992
	US\$	US\$
NET ASSETS	53,817,874	49,569,350
REVENUE	2, 166, 789	1,858,654
ADMINISTRATIVE EXPENSES	814,214	1,395,050
PROFIT BEFORE TAXATION	1,352,575	463,604
TAXATION		770
PROFIT FOR THE YEAR	1,352,536	462,834
SPECIAL INTERIM DIVIDEND - PAID	-	204,000
FINAL DIVIDEND - PROPOSED	1,224,000	204,000
PROFIT FOR THE YEAR - RETAINED	128,536	54,834
EARNINGS PER SHARE	US\$0.066	US\$0.023
FINAL DIVIDEND PER SHARE	US\$0.06	US\$0.01
NET ASSET VALUE PER SHARE	US\$2.64	US\$2.43
OTHER TRANSFERS TO RESERVES		
Net profit on disposal of investments	US\$2,518,671	US\$406,164
Increase in valuation of investments	US\$1,601,317	US\$13,804,961

EARNINGS PER SHARE The calculation of the earnings per share is based on profit for the year of US\$1,352,536 (1992; US\$462,834) and on 20,400,000 shares (1992; 19,952,429 shares) in usoc.

During the year the majority of the Group's income was not assessable to Hong Kong Profus Tax as it was generated from offshore activities and capital transactions. The estimated assessable profit has been wholly absorbed by taxation losses brought fotward and tax which would otherwise have been payable at 17.5% (1992: 17.5%) amounts to approximately US\$13,000 (1992: US\$13,000).

EXTRACT FROM THE CHAIRMAN'S STATEMENT

China & Eastern's eighth year has seen the Company's net asset value increase to US\$53.82m (US\$2.64 per share) an 8.6% advance from the US\$49.57m (US\$2.43 per share) reported last year.

The strong growth in China & Eastern's carnings has continued with the profit attributable to shareholders increasing by 192% to US\$1.35m from US\$0.40m in 1992. This growth, which arises from both an increase in revenue and a decrease in expenses, allows the Board to recommend a final dividend of US\$0.06 per has been decreased.

The most significant development during 1993 has been the listing of Chinese companies on the Hong Kong Stock Exchange through the issue of 'H' shares. At the time of writing, four Chinese companies have been listed in Hong Kong mising US\$350m in the process. China & Eastern has taken advantage of this opportunity to increase its exposure to Chinese companies.

Notwithstanding the concerns over the potential overheating of the Chinese economy and the lock of any significant progress in the Sino-British discussions over democratic reform, market sentiment tensions strong in Hong Kong. Given the level of liquidity available, in part due to the negative real interest rates in Hong Kong and the expansion of China's capital base, the Board looks to the luture with confidence and believes that there will continue to be excellent investment opportunities for the Company through which the starteholders of China & Eastern can enjoy

FINAL DIVIDEND

Your Board recommend the payment of a final dividend of US\$0.06 per share in respect of the 1993 financial year (1992: US\$0.01 per share).

REDEMPTION, PURCHASE OR CANCELLATION OF SHARES There was no redemption, porchase or cancellation of shares by the Company or its subsidiantes during the year-

> By order of the Board M.G. Bond Company Secretary

The Annual Report and Accounts will be posted to shareholders at the end of September, 1993 and will be made available to the public at the Company's Registered Office; 8th Floor, Prince's Building, Hong Kong, its Registrat; Central Registration Hong Kong Limited, 19th Floor, Hopewell Centre, 183 Queen's Rezal East, Hong Kong and its U.K. Transfer Agent; Batclays Registrats Ltd., Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU. The Annual General Meeting will be held at 11:00 a.m. on 9th November, 1993 at 155 Bishopsgate, London EC2M 3XY.

The Register will close at 4:00 p.m. on 25th October, 1993 and will re-open at 9:00 a.m. on 10th November, 1993. All transfers must be lodged with the Registrat no later than 4:00 p.m. on 25th October, 1993.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL Pax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

Acid rain plan would not hit coal

From Gill Witter.

Sir, In Bronwen Maddox's article, "Dilution measures for acid rain" (August 31), she indicates that fears about the future of the coal industry lie behind the UK government's reluctance to commit itself to adequate reductions in sulphur emissions at last week'a pan-Europaan negotiations in Geneva.

It was for this reason that the World Wide Fund for Nature (WWF UK) commisresearch. That research reveals that the future of the British coal industry and effective measures to reduce acid rain deposition are not mutually exclusive. It shows that, even with 80 per cent emission reduction (the level recommended by scientists), the UK could burn 37.5m tonnes of British coal without committing Itself to flue gas desulphurisation (FGD) construc-tion. With 12 GW of FGD (the original UK commitment), the UK could burn 46.2m tonnes of British coal (50 per cent higher than is likely to be used in

1993-94). The report also shows that there could be up to 30 per cent parts of Europe if the UK government insists on reductions ecosystems. Under such circumstances Britain will surely have earned its reputation as "the dirty man of Europe" and encourage yet more "drittsekk" type comments.

pollution officer, WWF UK, Panda House, Wayside Park, Catteshall Lane, Godalming, Surrey GU7 LXR

more acid rain damage in some of 70 per cent rather than 80 per cent in sulphur emissions. This discrepancy could spell disaster for sensitive European

The survey also showed that the profession'a self-confidence is recovering from the dip It took in the middle of the last decade. Four out of every five chartered engineers would now commend the profession as a career to a young man and only a few percentage points less would do so for a young dict any notion of a generally

by performance ered introducing performance-Sir, You reported on Septemrelated pay for itself? Pay ber 1 that the royal household could be positively linked to the hours an MP spends prois to go on to merit pay

("Queen decrees pay by merit") and that Norman Lamont is to work two or three days a week in the City to supplement his MP's salary of £30,854 ("Lamont returns to City as Rothschild director"). In the interests of providing

value for money to the electors/taxpayers and performance incentives for MPs, has the House of Commons consid-

From Mr David Mannering.

viding "exceptional service" in representing constituents, and inversely related to the time devoted to company directorships, journalism, writing memoirs and sundry other pursuits. Most MPs, presumably, would welcome such an

arrangement. David Mannering. Stapleford Close, Chippenham, Wiltshire

Trends indicate engineers not demoralised in UK

From Mr Denis Filer.

Sir, Your correspondents. Nicholas Cox and T Taylor (Letters, September 3) paint an overly pessimistic picture of the current situation of the UK's engineers.

Tha most recent salary survey carried out by The Engineering Council published in October last year, showed that the average earnings of char-tered engineers had increased by 28.6 per cent over the previous three years to £31,768. Eight per cent of chartered engineers earn more than £50,000 a year.

woman - figures that contrademoralised profession and confirm its enlightened attitude towards promoting itself as a career option for women.

As for innovation, there are several bodies operating in this area and it would not be to anyone's benefit to duplicate those efforts. However, at the younger end of the scale where we have a free hand, the Engineering Council's Young Engineers for Britain competition this year sttracted more than 700 entries, double last year'a total. Many of the professional engineering institutions also have extensiva programmes of seminars and conferences providing education in relevant technical and managerial issues.

No one can deny that the UK's manufacturing base has been hard hit in recent years. But there is still much constructive activity aimed at counteracting that trend on the part of the engineering profession and there are positive reasons wby engineering is an attractive, stimulating and rewarding career option. Denis Filer director general,

The Engineering Council, 10 Maltravers Street, London WC2R 3FR

Merit in paying MPs Trade as a means to green ends

From Ms Halina Ward.

Sir. 1 refer to your leader "Green thoughts and trade policy" (September 1). Trade can be of environmental benefit. But it does not make sense to use this fact to deny the wisdom of trade restrictions to

achieve environmental ends. The Montreal Protocol is a classic example of an international instrument which "entangles" trade and environment policy to achieve its objective. That objective is not to impose developed countries' domestic environmental policles on developing countries. It is to protect the ozone layer for

the benefit of all countries. The Multilateral Fund and the technology transfer provisions of the protocol encourage developing countries to accept its terms. Crucially, the protocol also discourages non-participation by means of restrictions on trade in ozonedepleting substances with non-

Nelther tha integration of trade with environment policies nor the provision of compensation by way of funding mechanisms provides complete responses to disputes arising out of the existence of differing environmental standards. What is needed is a more holistic policy approach.

Wa also need to ask what kind of structures would be most effective in settling disputes arising out of different environmental standards. What should be the relationship between law and politics in those structures? Most controversially, what role should they accord to individuals as opposed to states? Halina Ward,

solicitor, Mishcon de Reya, 21 Southampton Row, London WCIB 5HS

Danger of making excessive claims about value of brands

From Mr Nicholas Beale. Sir, The method described in the article on the brand valuation of intel (Technology, September 2) is fundamentally flawed. The returns a business earns above its cost of capital are not earned by brands alone but by the whole set of current

ness: brands, skills, technologies, channels of distribution and supply, publication rights, systems and other information. In Intel's case there is an investment in technology that dwarfs the advertising and tan-

gible asset investments. Excessive claims about

because they risk misleading investors and because they disreal issue of understanding the investment that companies have made in their entire set of intellectual assets and the returns achieved by them. A sounder approach is described intellectual assets of a busl- brand valuation are damaging. in the current issue of Profes-

and managers urgently need to tract attention away from the understand these issues if we are to be competitive in the information economy of the 21st century. Nicholas Beale

FINANCIAL TIMES

Number One Southwark Bridge, London SEI 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700 Monday September 6 1993

Mr Murdoch and the law

MR RUPERT MURDOCH'S latest ert Maxwell'e rival to the London trail of deals and manoeuvres has reopened some old questions. Britain's Labour party wants him referred to the Monopolies and Mergers Commission, having branded his simultaneous expansion of News Corporation's satellite TV interests and the price war he has launched in the UK broadsheet newspaper market "an

mary and design to the state of the state of

Exercise and ployee secusecurity of the change At
page 10 per change At
per controller a
per cont

the transitive working below to be cause t

the difference of the control of the

the a theful

Taken look.

employment

regress on metals

the state of missel

control of the contro

The matter with

confines of

contons have

and nave

Lilia 0

Acres and pare a

Title state of the state of the

re believe

Gy to the government possible possible

Commence of the state of

entre.

down to

Trade as a

means to

green ends

property of the second

| Company | Comp

for car and an

Trees --

77.

1 mg (7)

letter by

sustants like

Taployers by ,

Dealth and

affront to democracy". However overexcited these comments may appear to those who have not, like Labour politicians, endured years of abuse from Mr Murdoch'a titles, this renawed debate is of interest across the EC, where structures of media regulation are bending beneath the pressures of changing consumer fasts and technological advance. In Britain, Mr Murdoch faces

two complaints: that by cutting the price of The Times from 45p to 30p. News is aiming to kill off the rival Independent and that the expanded BSkyB (of which Mr Murdoch owns half) when added to his 35 per cent share of UK national newspaper sales, makes him too powerful. BSkyB, in which Pearson, owner of the Financial Times, holds a significant stake, last week launched a new 14-channel pay-TV service, and is forecast by some to overtake the terrestrial ITV commercial network in terms of revenues within the next three years.

Predatory pricing

Sir Bryan Carsberg, directorgeneral of fair trading, says he is watching the newspaper price war, which Mr Murdoch has also ignited in the tabloid sector, with interest. His office's definition of predatory pricing - the deliberate acceptance of losses in the short term with the intention of eliminating competition so that enhanced profits may be achieved facie as if it may indeed apply to the battle between the loss-making Times and the struggling Independent. The OFT has recently been active in pursuing bus companies accused of predatory actions, but in examining the newspaper industry, it will also note how The Independent worked to ensure the demise of the Sunday Correspondent or, to take an earlier example, the lengths to which Associated Newspapers went to kill in its infancy Mr Rob- now a matter of urgency.

behaviour, resulting in short-term losses, does not have to include a price war.

The question of the concentra-tion of media ownership and the related regulatory framework is more complex and important.

What can be stated with confidence is that the law is outmoded. This imposes detailed restrictions upon the ability of newspaper companies to own more than 20 cent of terrestrial television and radio (even local radio) companies and yet sets no limit on the ownership of satellite TV.

Yawning gap

In the press, there is no general law on concentration of owner-ship, although the 1973 Fair Trading Act requires that any merger involving circulations of more than 500,000 should trigger an MMC investigation. In practice, this has not impeded Mr Murdoch, who has twice argued that the only alternative to his purchases (of first The Times and The Sunday Times, then of Today) would have been the closure of newspapers, thus enabling ministers to waive the rules.

The yawning gap in these arrangements, however, is the lack of guidance on what amounts to an unacceptable accumulation of power across the whole of the iss media. UK law recognises, in the case of the press, that these matters exceed in importance normal competition issues, since a democracy needs "accurate presentation of news and the free expression of opinion".

The time has thus come for the UK authorities to wrestle again with this principle in the new media world which Mr Murdoch has done so much to develop. It would be wrong to prejudee Mr Murdoch'e case, since the barriers to entry in satellite television are still lower than in terrestrial broadcasting. Equally, however, it is unreasonable that terrestrial PTV companies continue to face costly regulatory requirements. for example on the national origin of programmes, from which their satellite competitors are exempt. The most promising direction for change is to liberalise the overregulated, rather than the converse, but a coherent approach is

Blair House and the French PM

FRANCE AND Ireland have US. At most the EC might go sometimes made common cause against a common "Anglo-Saxon" enemy, but Mr Peter Sutherland director-general of Gatt, who visits Paris this week, is not that kind of Irishman. Some of his French hosts, indeed, will see him as little better than an Angio-Saxon mes-senger boy, although the message he brings – thet last year's Blair House agreement between the EC and the US on agricultural trade cannot and must not be reopened - has the support of the vast majority of the 106 countries taking part in the Uruguay Round negotiations.

His task of getting this message through to the French has been made more difficult by the German chancellor who, after talks with the French prime minister the weak before last, declared publicly that Germany too had "problems" with the Blair House agree-ment, and implied that ha expected a new or supplementary agreement to be negotiated. Several of his ministers and spokesmen hastened to explain that this was not what he had really meant, and Mr Kohl himself allayed Mr Sutherland's anxieties on the point last week. But clearly he did mean to signal at least some sympathy for the French position. Bilateral Franco-German talks on the subject have now started, although the Germans insist that their object is to find a solution which leaves Blair House intact.

Hard to accept

The trouble with this approach is that no solution can both modify the agreement (as the French insist it must) and not modify it. But politics obeys different laws from logic. Nearly a year of intensive surenchère (mutual outbidding) by French politicians in denunciation of the agreement has left them with a real, if unnecessary, problem. Even a prime minister of Mr Edouard Balladur's unprecedented popularity would find it very hard now, after all that has been said, simply to accept the agreement without any

kind of quid pro quo. What then can be done to make this unwalcome pill easier for the French body politic to swallow? As far as agriculture is concerned it would be unrealistic to expect any further concessions from the leave the land.

through the motions of demanding, or asserting, a right to take some kind of protective or compensatory action in the event of very large and sudden movements in prices, or in currency parities. But any tangible satisfaction will have to come from within the EC itself, and take forms which do not infringe the agreement.

Commercial policy

The French government might reasonably ask its partners for an undertaking that they will resist any US demand for guarantees thet food imports will supply a specific share of the EC market. Less reasonably, but on past form not unrealistically, it may expect a direct transfer of financial resources, in other words a bribe. Almost certainly it will be encouraged to bribe French farmers from its own national resources, provided it does so in ways that neither stimulate increased production nor subsidise lower prices.

As far as possible, however, France'e partners should seek to shift discussion away from agriculture on to the broader ques-tions of commercial policy which France has raised. The demand for the RC to equip itself with more credibla powers to retaliate against arhitrary protectionist measures taken by the US or other powers is not unreasonabla, so long as those powers are not abused to placate producer lobbies within the EC; and the demand that the EC press for an effective international body, to make sure that new trading rules are actually observed, is one that all sin-

cere free traders should support.

In raising such questions France is behaving more like the great industrial power it actually is, and less like the carefully fenced rural reserve which is how it sometimes sees itself. In the last resort, the job of breaking the French obsession with subsidised agriculture is one for France's own leaders. Behind a smokescreen of demagogy, they have in fact moved a long way in that direction. In the present conjoncture they might be able to go further if at the same time they relaxed their monetary policy, giving industry a better chance to absorb the labour which, willy-nilly, will continue to

he vice-president of Russia, a long-time opponent of the presidant with whom he was elected a little over two years ago, is suspended from his duties by the president because he is charged with corruption on a massive scale, His allies in parliament declare the suspension invalid and refer it

to the constitutional court. Though the president's men protest that this is merely a head of state protecting Russia's reputation against allegations of wrongdoing in high places, the move is widely seen as the opening of the "Septem-ber offensive" Mr Boris Yeltsin promised against his many foes. The offensive has as its alm the breaking of the Gordian knot of political tensions and enmittee now so large and tight thet a chainsaw. not a sword, is required.

Russians and western observers are both tired of Mr Yeltsin's promised "decisive" movements against his opponents. He has so far lacked the will to smash through the existing constitution to clear the space for a new one: if this is the longpromised offensive, say Moscow political circles, so be it, but no smart money is on it.

No wonder he hesitates: tha Ruscian president has a queue of immense problems that awaits his attention. Tackling any one of them in a decisive way would shatter the unstable stasis which is Russian politics at present.

He has, in the first place, an incoherent and internally warring government: not only are the extremes within it accusing each other of corruption, but so are nominal allies -Mr Vladimir Shumeiko, first deputy prima minister suspended from office at the same time as Vice-Presdent Alexander Rutskoi, had earlier accused Mr Sergei Glaziev, the trade minister and a modarate reformist, of corrupt practices.

Further, it is riven on economic policy: Mr Oleg Lobov, another first deputy premier appointed by Mr Yeltsin from the ranks of his old friends, is pushing hard for the doubling of state investments, even as Mr Boris Fyodorov, the finance minister, struggles to contain the budget deficit within a limit of 10 per cent of gross national product.

The govarnment's grip on the country's regions and republics is weak; the shaping of transparent, equally applied laws and taxes is rendered impossible because those at the top levels of powar in Moscow are competing for allies in the regions and cities with promises

Private business, in some areas, booms - but often it is the boom of machine guns, as contract killers remove rivals or non-payers of protection money. Around 10 bankers have been murdered in the past few months, together with a handful of

Rock solid against Yeltsin's reforms

John Lloyd examines the ongoing battle for political power that is stifling Russia's economic development

foreign businessmen. These assassinations put an effective wall around the private sector, advertising it as a place only for the greedy, the cor-

rupt and the well guarded.

To be sure, the profit motive appears to be ingrained: and on the evidence of former prime minister Mr Yegor Gaidar's Association of Private and Privatising Businesses, which held a conference last week, many state managers are becoming interested in profit, stable prices and investment.

To be sure, too, businesses are being created and some infrastructure investments are being made in some locations, such as St Petersburg, Ekaterinburg, Rostov. But the all-consuming atruggle for power, like a great wen, drains energy and resources from all over the country.

The government survives, in part, by placating the political and eco-nomic actors. Mr Vladimir Mau, a former government adviser, mentions the example of Ulyanovsk region receiving a special dispensation to keep 50 per cent of the val-ue-added tax it collects, rather than the stipulated 20 per cent. Word is spresding among other regional leaders, and they are lobbying for the same treatment. Parliament is discussing a law to give the regions discretionary powers on what taxes to remit to the centre - precisely the issue seized on by the putschists in August 1991 as a reason for their attempt to stop the disintegration of the then Soviet Union.

A weak, split government cannot hope to fulfil the conditions laid down by the Group of Seven leading industrial nations, and administered by the International Monetary Fund, for the payment of assistance. At the end of August, Mr John Odling-Smee, the IMF's chief interlocutor with the Russian government, told it that unless progress was made on curbing the budget deficit, lowering inflation (now said, by Mr Shumeiko, to be heading for 30 per cent a month once more) and delivering on a reasonable reform programme, the second half of the \$3bn special fund would not be paid this autumn.

This quiet indication is an admission of failure by both Russia and the G7. It was only in the spring that a new headline figure, of \$44bn,



was unveiled as the western package to save Russia. In July the fig-ure was confirmed by the G7 lead-

ers in Tokyo. Now, say western diplomats and international economists, the G7 is studying the figures - especially tha amount of western funds ending up in Swiss bank accounts - and toning down the rhetoric. The political consequences of this tacit suspension of support for the reform strategy threatens the further existence of the tiny band of radical reformers within the cabinet itself. This may mean that the G7 - most of whose members were scep-

had become convinced there was no alternative, and had in turn produced a government committed to such a policy. In Russia, the initial Gaidar-led

team, whose members were hoteyed for reform, has been whittled down to a few weary individuals doggedly fighting for what they can win and ceding what they cannot. All of the economic indicators, save the stability of the rouble, which has remained at just under 1,000 to the dollar for nearly two months, are turning against them. General Winter, that scourge of attacks from

the west, again approaches. Mr Yeltsin, the inheritor of all the centralist, authoritarian instincts of Russian political and civil societies. remains the key to action. He has a strategy of eorts: to share etate power not with the parliament but with a Federation Council composed of regional and republican leaders who will support his plans for new parliamentary elections and a new constitution. It cannot be arrived at constitutionally and it lacks many of the attributes of formal (and informal) democracy. But it may he an effective, if blunt, instrument for breaking through to conditions within which democracy could be constructed.

e has also, over this past weekend, bolstered his position with that substantial part of the political class which sees him as too complaisant and weak, by appearing to force Ukraine's leadership to sell its half of the divided Black Sea fleet and send back the nuclear war-heads trainian territory to Russia. This takes the wind out of the sails of the nationalist opposition, and increases the chances that at least the three Slav states of Russia, Ukraine and Belarus - with most of the Central Asian countries and possibly others among the former Soviet republics - will agree later this month to huddle together under Russian economic, security and political hegemony. This partial reconstitution of the union would increase Mr Yeltsin'e standing though it would further add to Rus-

sia's enormous economic burdens. But even if this were to be achieved, the Russian president must still surmount major problems of decisiveness, etamina and belief tha first two to take on a well-entrenched, many-tentacled opposition in the middle of a prolonged elump, and push e programme which means further sacrifices. For thet, he must believe in the ultimate rightness of a radical programme. But what Mr Yeltsin believes is a real puzzle; time and again, he makes decisions based on what appears to be a genuinely liberal world view; time and again, his actions, either of commission or omission, contradict such a view. Thus, when once more he faces a decisive choice, we cannot know how - or if - he will finally make it.

Bronwen Maddox argues that some environmentalists' claims should be treated with caution

Science at its jamboree last week in Keela, Staffordshire. Should the association then welcome the way

larising science?
Enrolment on "environmental science" courses is growing, warnings about the ozone layer abound in suncream advertisements, and seven-year-olds tyrannise their parents about recycling kitchen rubbish.

For their part, the "green" pressure groups are increasingly couching their campaigns in eclentific language. Their traditional "rubber suit" brigades, who made their reputations through direct action such as plugging the ontlet pipes of chemical companies, have been joined by squads of PhD holders. The better-funded groups such as Friends of the Earth and Green-peace now issue sheafs of closely analysed reports on the impact of toxic chemicals or radiation.

That research has helped the credibility of the groups' cam-paigns. But many of the claims made by environmentalists in the name of science should be treated

was lamented once again by the British Association for the Advancement of at its lamboree last week in

with caution. The arguments put the New Scientist magazine in Mayer's and Wynne's proposals do forward often lack intellectual rig-our, and they indulge the pressure groups' worst vice: the reluctance

June, Ms Sue Mayer, director of sci-ence at Greenpeace UK, and Mr Brian Wynne of the University of any notion of proof. to rank some environmental threats as more significant than others.

One of these misleading arguments is the suggestion that it is impossible to prove that any substance is "harmless". Just because no ill-effects have been spotted, say some environmentalists, does not mean there are none: they may have been overlooked, or may not

emerge for decades. This uncertainty, the argument runs, stems from the way that scientific knowledge is built up. Knowledge constantly evolves, as hypotheses are tested against evidence and retained, modified or rejected. Therefore, because accepted theories may be amended in the future, no scientific "proof" of the safety of a particular substance can be cer-

As a result, they say, a new "green" approach to science is needed. In an article entitled "How science fails the environment" in

Lancaster said that "greener science" would force the polluter to prove a chemical was safe, not make the environmentalist prove It was harmful. They demanded that science embrace the "precautionary

There is a legitimate place for the precautionary principle – as part of policymaking

principle" that "the environment must not be left to show harm before action is taken".

This position is nonsense. Science is inescapably an empirical exercise, but that does not mean that scientific knowledge is impossible. Soma theories have persistently ahown themselves effective at axplaining why things happen.

tical about the US-led \$44bn pack-

age in any case - has given up its

faith that rapid reform is possible.

Diplomatic conversations refer

increasingly to the lack of a real consensus for change, and are

replete with comparisons with those

Latin American countries, such as

Mexico and Argentina, which man-

aged to produce solid bases for radi-cal action only after a sufficiently

large section of the political class

The unfortunate consequences of this approach are considerable. It allows anything to be described as a pollutant, even if damage has not been observed. It also makes it impossible to call one poliutant less damaging than another - what about the as-yet-unknown long-term effects? For this reason, many leading environmental groups were reluctant to acknowledge that the Shetlands oil spill in January might be less damaging than the Alaskan one in 1989, even though storms dispersed the Shetland slick quickly.

The approach can also cause "legal mayhem", in the words of one leading City solicitor. The precantionary principle is incorporated in a treaty on sea pollution signed by North Atlantic governments and in parts of UK food law. But the "green science" approach makes it hard for governments and companies to demonstrate that they heve taken "enough" care.

There is a legitimate place for the precautionary principle - as part of policymaking. The principle, which was endorsed by last year's Rio Earth Summit and is part of UK policy, recognises that scientific proof often takes time to establish. whether recent changes in the earth's temperature should be attrihuted to emission of "greenhouse gases", and scientists may take several decades to work out whether more warming is likely. Govern-ments, however, have judged that it is worth acting now because the effect of warming on climate and agriculture would be unwelcome.

from the science of astablishing whether theories are correct. The green groups are right to point out that research into the environmental impact of chemicals could often be more thorough. But the approach that "you never know what the long-term effects might be" gives undue weight to the pessimists. It is certainly not scientific, and it does little to belp people distinguish needless worries from real

That decision stems from political

judgment about the risk which soci-

ety will tolerate - it is separate

OBSERVER

Quayle hunts the clients

■ Good to hear that Dan Quayle is earning a crust, most recently as chairman of FX Strategic Advisers, a joint venture the former US vice-president has set up with FX Concepts, itself a New York-based consultancy and money management outfit that specialises

in foreign exchange. Karl Jackson, Quayle's old national security adviser who is also managing director of FX Concepts, says the idea of the offshoot is to extend the group'e clientele into Asia.

"It doesn't take a brain surgeon to figure out that'e where the economic growth is going to be over the next decade. He [Quayle] is very interested in thet part of the world."

Jackson, an Asian specialist and a professor at Berkeley before he came to Washington to join the Bush administration, soon "latched on to Quayle as someone to lead the charge regarding policies in that part of the world".

More recently, he says with refreshing honesty, it has been Quayle that has done the latching on to him

Undeterred by Quayle's complete lack of experience in the foreign exchange world, Jackson points out "He gets on very well in Japan, he is very well-received."

In other words, the jokes don't flow quite as they do at home? "There is a veneer of politeness in their culture."

Fireman's fight Guinness Mahon merchant banker Bruce Fireman'e experiences with the broadcast media have hitherto tended to be bathed in tears rather than

champagne. His first flop was at university, when he launched a weekly, New Cambridge, to take on the well-known Varsity. But it folded with a £700 loss, as the 49-year-old Fireman now recalls.

In 1980 he was involved in a bid for the Southern ITV franchise and lost -- although he did make five grand by selling his consortium's registered name of TVS to the winner. During the 1991 ITV franchise

round, he managed to push his next consortium, White Rose Television, over the programme quality threshold, only to be outbid by Yorkshire.

In between, during a 12-year stint at Charterhouse, he helped raise the venture capital to launch The Independent newspaper, but broadcasting franchise came there

Finally, Fireman has arrived For it was he who masterminded the London News Radio bid that has ousted LBC from its 20year lock-hold on London's

'Chef recommends the '87'

BME

commercial radio franchises. "I've got it right at last," purrs the future deputy chairman of LNR.

Last waltz

■ When Paul Keating drops by Balmoral in the middle of this month, his purpose is to let Queen Elizabeth know, doubtless in his ever-diplomatic way, that his country wishes to, er, dispense with her services.

Should there be a lapse in the conversation, Her Majesty might, however, care to point out to the Australian prime minister just how difficult it would be to cast off all ties with the old country.

When the Ozzies revert to their unofficial national anthem – Waltzing Matilda – they will still be singing to the music of an 18th-century army recruitment song, which originated in

Rochester, Kent. Devised for the Duke of Marlborough's campaigns in the war of the Spanish succession, its opening words roll along to the same old tune: "And come, be a soldier with Marlborough and

Taken down under by the convicts, it was left to "Banjo" Patterson to swap the lyrics. Or so says Jonathan Marcus, the BBC World Service's defence correspondent, who has just started a 10-part history of warfare, From Hoplite to Harrier.

Shell-like

■ A new generation of advertisers is going to work on an egg. Many years on from the little lion, ink-iet technology now enables packagers to print the "best before" date on the eggs themselves; hence, following government

recommendations that all eggs be so labelled, the advertising industry is scrambling to use this domestic boarding.

And once European Community agriculture ministers have discussed egg-labelling at their meeting in Brussels later this month, a call for mandatory dating across the continent could open

a huge market. Domino Printing Sciences, which has pioneered the process in the UK, says common standards will have to be adopted by packaging companies to make advertising

worthwhile.
But it predicts that cooks will soon be cracking egg-verts to make their chefs d'oeuvres.

Sole of discretion

■ While most of Asil Nadir's personal effects went under the hammer at Christie's last month. a rather less public tender of his wardrobe has also been in progress. arranged by auctioneers Edward Symmons & Partners.

From the catalogue, it would appear that Nadir's waistline was almost as volatile as the price of Polly Peck shares, with suits ranging from 34 to 38-inch waist to be disposed of.

More intriguing, however, is the collection of shoes, mostly size 10, but one pair size 9 and one size

Would that Hush Puppies could speak.

Boom, boom

■ As Renault and Volvo get hitched, a reader ponders a suitable name for the combine. Revolvaut is already doing the rounds, but how about VRUM, or Volvo/Renault

brand

 $\chi_{A} \cdot Z^{A}$

7.5

ragin serve



FINANCIAL TIMES

Monday September 6 1993



Recent rally in London equity market under threat

US investors turning from UK to continental Europe

Patrick Harverson in New York

US INVESTORS who helped drive the London stock market to new peaks in the last days of August are turning their attention to other European bourses, threatening to undermine the UK equity market's recent rally.

Concern over US investment diverting to other European markets, particularly France, Spain and Italy, may cast a shadow over the UK market this week after contributing to a 1.4 per cent fall last week

Some US funds have doubled their rate of investment in European equities since the widening of ERM currency bands at the beginning of August.

The ensuing falls in French and German interest rates have reduced the relative advantages of UK equities, according to London and New York analysts with leading US investment banks. US securities analysts and fund

EC to probe

antitrust

Continued from Page 1

allegations

soft has deliberately attempted to

limit competition in the market

for personal computer operating

systems - programs that control

the basic functions of a PC.

Microsoft, whose DOS operating

system is used on about 90 per cent of all PCs, offers PC manu-

facturers discounts if they agree

to pay an operating system licence fee for all of the comput-

ers of a particular model sold.

Novell claims that this "per

processor licensing" arrangement

excludes competition from its

Novell is also understood to charge Microsoft with illegal

"tying" of sales of one product to another. Novell alleges that

Microsoft introduced "intentional

incompatibilities" in Windows,

the popular PC graphical user

interface program, to give PC

users the Impression Windows

would not work properly with

Mr Bill Gates, Microsoft chair-

man, has previously denied both of these charges, which were investigated by the FTC. He has

also accused Novell of "heavily

promotiog these issues in an

attempt to force Microsoft to

raise its Dos prices in order to

enable Novell to more effectively

competitors' systems.

alternative DR-Dos program.

managers in New York, Boston and London said they are now attracted to continental European markets after their recent

buying spree in London. Mr Marcus Grub, of Salomon Brothers International in London, said he favoured France, Spain, Italy and Germany over the UK. Goldman Sachs interna-tional, is advising US investors to be "overweight Europe", but puts the focus on France and Spain

rather than the UK. US based analysts are cooling on UK stocks. Mr Kevin McCarey, who runs a \$150m pension fund that invests in European equities for the Bostonbased Fidelity group, says he has beeo shifting some money out of

the UK recently.

Mr McCarey is boping to find bargains in contineotal Europe, especially Italy, Spain and Germany. He explained: "Interest rates are the highest in Spain and Italy: therefore they have the most room to come down."

By Virginia Marsh in Bucharest

MORE THAN 2m Romanians -

10 per cent of the population -

bave sunk cash into a pyramid

money-multiplying scheme at

the Transylvanian town of Cluj.

The scheme is known as Car-

itas, although it has no connec-

tion with the international char-

ity of the same name. It takes

deposits, with a promise to pay back eight times the amount in

Tales of "Caritas millionaires"

bave spread around Romania,

encouraging thousands of people

to descend on Cluj, in Romania's

western province, in the hope of cashing in and bedging against

While most Romanians grap-

ple with soaring prices, declining

living standards and meagre

pay, the cash-rich people of Cluj

cannot spend their money

Investors deposit a minimum

of Lei20,000 (\$23), nearly a third

of the average monthly wage. Three months later, Carltas,

which has in the meantime col-

lected from new depositors, pays

out eight times the original

investment, less a commission. Many people are leaving their

money in the scheme in the hope

Head-scarved peasant women,

of bigger gains to come.

three months.

raging inflation.

quickly enough.

fight for **UK** market Mr Heydon Traub, a fund manager with State Street Global By Andrew Adonis Advisers in Boston who runs a \$2bn global equity fund that is 50 per cent invested in Europe, and

10 per cent in the UK, has not

taken any money out of the Lon-

don market recently because the

fund has been underweight in UK

stocks for a long time. Mr Traub said: "The UK went

through some tough economic

times over the last couple of

years, and the market really

never weot down much to reflect

that, so from our point of view it has been overvalued for a year or

two. Given that, we don't expect

it to be a strong performer."

Mr Traub said that in splte of

strong earnings this year UK shares would still not be as

attractive as other European

stocks: "We expect UK earnings

growth to be really strong, but

the price you have to pay for that is pretty high now. You don't

have to pay op as much in other markets like France."

many clutching bags full of money, wait in the four-day

quene outside the sports hall where Caritas is based, alongside

groups of gypsies and young men

from Bucharest furtively count

ing large bundles of notes. Even

the Church is involved; nuns and

priests ply the exits with collec-

All hope to benefit from Cari-

tas, even though most say they

know it will eventually rollapse,

"Caritas is our only hope of surviving the winter," says a

woman who had travelled 300km with her elderly father to deposit

their monthly salary and pen-

sion in the scheme. "We can't keep up with the price rises. Inflation is 260 per cent a year.

but we only get 50 per cent inter-

The riches Caritas has brought

de its founder, Mr Ioan Sto-

to many in Transylvania have

ica, a former bookkeeper, a

Diplomats say the scheme

looks like a classic money-laun-

dering scam but the Romanian

central government, which since

July has levied on Caritas a new

18 per cent value-added tax, has

Some local officials, however,

are highly critical of it and fear

the consequences when the inevi-

done little to discourage It.

table collapse comes.

est in the savings bank."

national hero.

Romanians seek a

short cut to riches

OFTEL. the UK telecommunications regulator, has given the strongest signal yet that American Telephone & Telegraph will be allowed to compete with British Telecommunications in the £15bn (\$23bn) a year UK

telecoms market

The DTI set a precedent for AT&T's entry by recently grantto buy and sell services in the

AT&T is the only operator without a UK licence to be invited to the Oftel seminar, at which BT will give further details of its proposal to poblish tariffs to competitors for connec-

Oftel's draft proposals favoured "accounting separation" between BT's retail and network businesses. Most of the operators favour more specific regulation of bottlenecks to competitive entry, particularly terms of access to the local telephone network.

Boost for AT&T in

Oftel has invited AT&T to a eminar next month called to discuss the terms on which competitors should be allowed access to BT's network. The regulator said AT&T had been invited "purely for the wealth of its experience in the US" on the way rival telephone companies reimburse one another for using their networks. However, the invitation will be

seen as a boost for AT&T in its campaign to win government approval to compete in the UK. The Department of Trade and Industry is considering an appli-cation from AT&T for a public operator licence.

ing draft licences to three foreign groups to compete with BT, the dominant British telecoms group. BT itself has applied to the US Federal Communications Commission for a licence to allow it

The costs of installing a new telecommunications network are huge. So to compete effectively with BT, rival operators require access to its national telephone network to carry their services. The Oftel seminar will examine the terms on which BT should

allow rivals access.

tion to its network. Several regional US operators all making substantial investments in the UK's growing cable telephone industry - have made representations on BT's outline proposal. They will have to make do with a few of the five places at the seminar allocated to the Cable Television Association.

in its submission to Oftel, AT&T called for BT to be obliged not only to publish standard connection tariffs, but also to disclose the relevant costs behind

THE LEX COLUMN

BNP's private hopes

looming wave of French privatisations, it stands to reason that investors will be offered an attractive deal. Frantic preparation is oow under way on the offering, which looks likely to be targeted heavily towards French

retail investors. Keeping international buyers short would be one way of whipping up appeal. As with Spain's Argentaria sale earlier this year, their enthusiasm could spill over into the domestic market, creating a virtuous circle of demand.

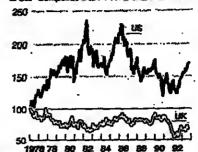
Blow away the froth, though, and a more complex question arises. Having virtually doubled over the past year, BNP's investment certificates are discounting a substantial earnings recov-ery. The market assumed that, by announcing a 42 per cent increase in first-half bad debt provisions, Mr Michel Pébereau, BNP's new chairman, was clearing the decks for such a recovery. Provisions could again be high in the second half, though, given BNP's heavy exposure to the small business sector which is taking the

brunt of the current downturn. With the authorities still reluctant to cut interest rates, it could be 1995 before BNP delivers a solid earnings recovery. Admittedly, it may be striking when it comes, simply because peak provisions will have been so high. Even if Mr Pébereau only manages a modest clampdown on costs, there could also be significant growth

in operating income. The danger is that the shine could be taken off by the plan for BNP to raise additional capital to purchase a further 10 per cent of the UAP insurance company. Such a move fits with official policy of giving privatised com-panies an interlocking network of sta-ble shareholders, but it makes little commercial sense when BNP already has its own life insurance operation. Above all, it risks being dilutive: UAP's longer term recovery prospects are considerably less exciting than those of BNP itself.

Insurance It takes a leap of faith to believe that UK insurers can maintain the level of insurance profits evident from their interim results. Since investment returns are likely to be lower than in the past, and the memory of recent underwriting disasters are still fresh, good intentions abound. But even two consecutive years of underwriting profits would be an achievement not managed in the 1980s. With balance **Insurance Sector**

US and UK composite insurance sectors relative to S&P Composite and FT-A At-Share indices



sheets restored to health by rising equity markets and rights issues, underwriting discipline will be harder

What can not be achieved by man-agement might eventually be achieved by regulation. Prudential guidelines in the US discourage companies from backing insurance liabilities with risk assets such as equities and property.

There is sense in the argument an

October storm combined with a stock market crash last year would have left more than one UK insurer exposed in the US. That the devaluation of sterling has belped recapitalise the sector

is of little comfort. Similar regulations at home would mean profound change. Sun Alliance, for example, invests around 15 per cent of reserves against future claims in equities - a sum equivalent to around twice shareholders' funds. Robbed of that gearing to equities, insurance profits would assume greater importance. In theory, there is no reason why that should matter, but the evidence is to the contrary. UK insurers have lagged the stock market over the last 20 years, while their US counterparts have ontperformed.

UK utilities

The kerfuffle over whether Ofgas was or was not trying to curb British Gas's international expansion must have sent a shiver through the company's boardroom. Despite hopes that a new chairman and director general might strike up a better working relationship, it has raised the spectre that tensions between the two sides may remain. Such conflict in the gas industry contrasts with other utilities and raises concerns about consistent regulation. Companies often complain that

regulators' decisions are not explained

1993 INTERIM RESULTS

Operating profits

and vary between industries. Under the circumstances, calls for a "superregulator" to oversee the system are understandable. Yet that would add to bureaucracy and increase the risk of industry regulators being undermined by companies appealing over their heads. More palatable is the idea that both regulator and company should be required to disclose more information. The fairness of each case could then be more easily determined. True, the company might be more likely to ask indicial review of decisions, but to do so it would have to publicly disclose its case – including presumably any commercially sensitive infor-

Another way to alleviate tension might be a kind of "small claims court" to resolve local disputes at a level below that of a full Monopolies and Mergers Commission enquiry. The Office of Fair Trading might act as honest broker and prevent the kind of nuclear warfare which broke out between British Gas and Sir James

Cadbury Schweppes

Perhaps Cadbury will be have more to say about Dr Pepper/Seven-Up's poi-son pill when it delivers its interim results this week. Meanwhile the market is left with the impression that Dr Pepper has dealt it a serious blow Cadbury's £150m purchase of a further 20 per cent of Dr Pepper last month only made sense with the prospect of close operating collaboration between the two companies. If they are at log-genheads over ownership, the chances of that seem remote.

Yet the commercial advantages of getting together would be considerable for both. Cadbury could strengthen its distribution in the US and Dr Pepper would gain access to overseas bottlers who were not involved with either Pepsi or Coke. Dr Pepper's latest out-burst may simply reflect its manage-ment's desire to avoid ceding control, at least on the cheap. If so, an even-tual compromise seems likely. The elegant solution would be for

Cadbury to sell its US carbonates business to Dr Pepper in exchange for shares and a seat on the board. That would give it a large stake, which it could equity account, in a business with 15 per cent of the US soft drinks market, while sparing the need for a rights issue to fund a full bostile bid. The drawback is that such a half measure could underline Cadbury's lack of critical mass in the world market.

G

Ü

Israel confident on peace deal despite haggling

Continued from Page 1

a simultaneous deal on recognition. Mr Peres has said the agreements are not dependent on each other. The Palestinians, however,

believe that recognition is a vital prize and should be accorded before the final signing of the outline agreement in Washington, partly to help the PLO muster broader support for the deal

itself among its diverse Arab and

Palestinian opponents. Meanwhile in Israel at least 40,000 people chanted their backing for the government in a rally

organised by the Peace Now

Israeli settlers and other right wingers hostile to the deal plan to respond tomorrow with a mass demonstration in Jerusalem.

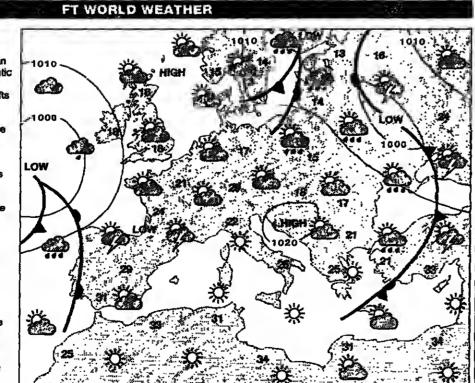
Europe today

Former hurricane Emily which has become an ordinary depression is moving over the Atlantic lowards Ireland as a high pressure area that has been over the British Isles for weeks shifts toward the east. As a result, clouds and afternoon showers will arrive in western

coastal areas, but sunny periods will continue in most of north-western Europe. Southerly winds will increase to near gale force in Ireland, Brittany and north-western Spain in the evening. Low pressure over the Pyrenees will cause thundery showers to develop in northern Spain and south-western France. Elsewhere around the Mediterranean it will be sunny. Meanwhile, eastern Europe will continue to have thundery showers.

Five-day forecast

The remnants of Emily will move over the British Isles while weakening. It will be rainy and windy in north-western Europe, but temperatures will increase. More thundery showers will develop in Spain, southern France and later over the Alps. High pressure over Greece and southern Italy will keep conditions settled and sunny in the eastern Mediterranean countries. High pressure will bring improving conditions in eastern Europe





Lufthansa

Manchest
Manile
Melbourn
Mexico Ci
Milani
Mexico Ci
Milani
Montreal
Moscow
Munich
Nairobi
Naples
Nassau
New York
Nico
Nicosia
Oslo
Paris
Peris
Peris Alyadh
Rome
S. Frsco
Seoul
Singapore
Stackholm
Strasbeurg
Sydney
Tangler
Tet Aviv
Tokyo
Toronto
Toronto
Tunis
Vancouver
Venna
Warsaw
Washington
Wellington
Willington
Vinibeg
Zurich eun fahr cloudy cloudy shower cloudy shower thund fahr car sun sun shower cloudy fahr sun fahr sun fahr fahr fahr fahr cloudy last feet than last sun than at the strong than than than than than than that sun than taken sun ta shower shower fair anu anu condà

up 70%.

Promising outlook.

	1993	1992	1992
	Half Year	Half Year	Full Year
Operating profit	£51.5m	£30.3 m	£155.6 m
Profits before taxation	£46.3m	£34.6ш	£150.8m
Earnings per share	6.2 p	4.4 p	19.3 p
Earnings per sbare - adjusted	5.6p	3.0p	18.4p
Dividends per share	5.375p	5.375p	12.0p
	····		

The results for the year 1992 are an abridged version of the full accounts which received an unqualified repor by the zuditors and have been filed with the Registrar of Companies. The half year figures are unaudited.



FINANCIAL TIMES - ROYAL DOULTON . LAKESIDE . ADDISON-WESLEY . LAZARD PENCUIN · CAMGO · LONGMAN · WESTMINSTER PRESS · TUSSAUOS CROUP

> A copy of the full seaugenesses which is balog reat to all charcholders is assilable from Prayson Ple Pezroon pic. Millbank Tower, Milibank, London SWIP 4QZ Telephone, 071 411 2000

though the state of the state o

feet information

And True

- Car (300) 144 年 164 年 152



FINANCIAL TIMES

COMPANIES & MARKETS

©THE FINANCIAL TIMES LIMITED 1993

Monday September 6 1993

Fletcher King SURVEYORS, VALUERS, COMMERCIAL PROPERTY CONSULTANTS

071-493 8400 | 021-643 6400

INSIDE

Stockholm blesses car group marriage

Sweden's centre-right government has given its blessing to the full merger, expected to be announced early this week, of Volvo, the country's premier manufacturing company, with Renault, of France. "Volvo is very important to the Swedish economy, but this is a market-oriented govern-ment," said one official. Page 15

AMD under Intel shadow

The latest microprocessor chips from Advanced Micro Devices will incorporate Intel technology at Micro Devices will incorporate intel technology at the centre of a legal battle between the two Silicon Valley chip makers. AMD's sales of Intel micropro-cessor clones have boosted earnings, but legal dis-putes have cast doubt over the future. Page 16

NatWest's capital twist

National Westminster's sensitivity about its low National westminister's sensitivity about its row capital ratio has caused a disagreement with the Bank of England. NatWest was keen to avoid putting up capital backing for some of its undrawn credit facilities, but it was told by the Bank that such facilities could not be zero-weighted for the capital ratio calculation. Base 14 capital ratio calculation. Page 14

Floating to avoid cramp

It took Graham Wilson two attempts to buy out Parkdean Leisure, which operates caravan and chalet holiday parks in the UK. But now the buy-out structure is cramping growth and Mr Wil-son'a escape route ie a flotation, planned for next

Through the 6% barrier

THE US bond market reached a historic landmark on Friday when the yield on the benchmark 30-year Treasury issue fell below 6 per cent for the first time in 16 years. But Wall Street Cassandras are beginning to ask how soon the remarkable rally will go into reverse. Page 18

Prospective p/e ratio

The latest prospective p/e ratio for the "500" Index for calendar 1993 is 15.9, according to IBES, the consensus estimates service (last week: 15.6). This compares with an ISES estimated p/e for the "500" of 21 (20.6) for calendar 1992. The official FT cal-culation of the historic p/e, based on the latest reported earnings, is 20.27 (20.48).

Market Statistics

Base lending rates 29	London share service	29-31
FT-A World indices Back Page	Managed fund service	29
FT/ISMA int bond svc 17	Money markets .	28
Foreign exchanges 29	New int bond issues	18
London recent issues 29	World stock mkt indices	20
ENNINAL LEGENT PRINTED ES	HOM SHOW BUT HEREDS	

Companies in this issue

hanker after narrow fluctua-

tion margins: an attachment

illustrated by Belgium's deci-sion last Thursday to raise

short-term interest rates to

protect the Belgian franc on

the very day that the govern-

ment announced a sharp

increase in unemployment to

14.1 per cent in August from

13.5 per cent in July. Elsewhere, however, there is

a rapidly dwindling faith in narrow bands as a way of sec-uring price stability or provid-

ing a "glide path" to economic

Officials and economists do

want some monetary discipline

in Europe, however. A free for all, with the attendant risks of

competitive devaluation and

eventual inflation, could seri-

ously disrupt the European

single market as well as dam-

age hopes of eventually mov-

So if narrow bands are not

The debacle in the ERM and

the realisation that freely flow-

ing capital movements could

undermine any attempt to

rehuild the old structure have

prompted a growing interest in

those countries that manage

tbelr domestic monetary

affairs through inflation tar-

New Zealand and Canada

ploneered the use of inflation

targets to determine monetary

policy and have so far operated

them with success. Britain fol-

lowed suit last autumn after

the answer, what should be put

ing to Emu.

in their place?

and monetary union (Emu).

	T&TA	
	Bank	
	Bank Slaski	
	Bosch, Robert	
	Cadbury Schweppes	
	Canadian Pizza	
	Castno	
	Coats Viyella	
	Criterion Developts	
	Deutsche Bank	
	Dr Pepper	
1	GTE	
	Handaman Tayoba	

16 Medco 12 Merck

16 Nat Westminster Bank 14 OAG 16 Parkdean Leisure 14 Reed Elsevier Renault Republic National 13 S China Morning Post 18 Sharps Plotey 14 Sime Darby 16 Sogo UK 13 VW Volvo

Sale of gold fixers shakes up old club

By Kenneth Gooding,

Gold Fixing whose five members fix the gold price twice daily.

Deutsche Bank, Germany's biggest bank, said on Friday that it

York, part of the international

lt was widely known that Sharps, owned by the Kleinwort Benson merchant banking group, was for sale. Similarly, London dealers were concerned about Mase Westpac, owned by Westpac, Australia's biggest bank which has heen restructuring. There is relief that powerful new

owners are ready to stand behind

prices depressed demand for physical gold in key areas such as the Middle and Far East.

The rally took gold from a seven-year low of \$327 a troy ounce in January to \$406.70 on important position in the Austra-

There are fears that distillusioned New York investors will today'e Labour Day boliday.

to Deutsche Bank. It claims to be one of the three largest traders in South African gold bullion, to

lian gold market. If it acquires Sharps, it will add marketmaking in London where it now

als Exchange, where base metals prices are fixed, and membership of the New York Commodity

Reed to purchase airline guides

Birmingham

By Raymond Snoddy

REED Elsevier, the international publishing and Information group, bas finally managed to purchase Official Airline Guides

for \$417m cash.

"It's third time lncky," Mr
Peter Davis, chief executive of
Reed Elsevier, said yesterday. Reed International tried to purchase OAG, which provides eubscription-based airline schedales and hotel information for

the travel industry and business travellers, in 1987 but the then owners Dnn & Bradstreet decided not to sell. A year later the husiness was sold to Robert Maxwell's Maxwell Communication Corpora-tion for \$750m, with Reed the

OAG operates mainly in the US through publications such as OAG Desktop Flight Guide, OAG Pocket Flight Guides and Travel Age and Frequent Flyer magazines. Reed Elsevier already owns OAG's rival, the ABC World Airways Guide, which is strong outside the US.

The deal represents the largest disposal so far of Maxwell's US interests by joint administrators Price Waterhouse.

Reed has not bought OAG'e central database. To save costs, the process of data collection for OAG and ABC, based in Bedfordshire, will be integrated. The OAG brand name will be retained as well as separate sales and marketing teams at the group's Chicago headquarters. The deal gives Reed Elsevier a near worldwide monopoly of printed airline guides, although they are increasingly available in electronic form. The company faces growing competition from the compoterised reservation systems operated by groups of airlines, such as Sahre in the US and Amadeus in Europe.

Mr Davis argued successfully before US monopoly authorities that bringing OAG and ABC under common ownership would extend the life of independent

travel information. "The task is to demonstrate to the airlines that the merger is in the interests of the business as a cient, more streamlined and not taking advantage in terms of pricing," he said yesterday.

OAG's 1992-93 turnover was

\$129.5m (£86m) with pre-tax profits of \$44.8m. The sale will involve OAG Inc going into liquidation for Reed to buy assets. Trading will be unaffected.

Mining Correspondent

WHEN two out of five members of an exclusive club want to quit, questions are inevitable. That is what is happening at the London

hoped to buy Sharps Pixley, a bullion house that is one of the five gold fixers. A month ago, Republic National Bank of New

t could be another sign that takeovers in the US are com-ing back into fashion. The

poison pill, a takeover defence that became one of the most

potent symbols of the 1980s battle for corporate control, made a

notable return last week as Dr Pepper, the US's third-largest soft drinks group, armed its defences against the UK's Cadhury

Schweppes.
The fact that companies rarely

adopt such poison pill defences these days could be partly explained by the fall-off in preda-

tory hids. However, there is a

more powerful reason: most com-

panies already have them. No less than 331 of the compa-

in states that have takeover pro-

tection enshrined in statute, such

as Delaware, and 87 per cent of

listed US companies have some

form of defence. Such devices still arouse pas-sionate shareholder antagonism.

The United Shareholders Associa-

tion pressure group promptly

denounced Dr Pepper's move, saying it was designed to protect

Could such antipathy be mis-

stand in the way of the five bi

Warner Communications all had

Research published earlier this

group controlled by Mr Edmond Safra, the Swiss-based Lebanese banker, revealed it planned to huy Mase Westpac, another member of the fixers' club.

these long-established busi-

London boasts that it does more physical gold husiness than any other financial centre. But that business bas slowed to a trickle and, without activity, bullion houses have little chance of making profits. The recent gold price surge was mainly based on options-related activity. Higher

August 2, its highest since the Gulf war in 1991. Another sell-off last week sent the price back to \$364.25 in London on Friday.

drive gold down further after Sucb movements matter little

only trades precious metals. Also, for what promises to be a relatively small price, Sharps will give Deutsche a ring-dealing membership of the London Met-

Richard Waters examines shareholder suspicion of anti-takeover devices

Poison pills lose none of their potency

year by two economists from the University of Rochester in New York indicated that bidders have to pay an average premium of 30 per cent to acquire a company without a poison pill. Buying one with a poison pill in place adds 18

nies in the S&P 500 have pills in per cent to the premium. place, most dating from the mid-Such evidence is not concluto late-1980s. They follow a numsive, warns Mr Robert Comment. ber of patterns, but all have the one of the authors. However, it at same ultimate objective: to deter unwanted bidders either hy least seems that poison pills do not stand in the way of takerestricting their voting rights or overs: companies' share prices do diluting their stake by offering not suffer after they have shares cheaply to other shareadopted a pill, and those with holders - the route taken by Dr pills are just as likely to be taken over as companies without them, according to the research. Pepper.
Add in the companies located

Nonetheless, a low-key war against poison pills continues. Most anti-takeover devices have a 10-year life, so few have bad to be renewed so far. Some institu-tional shareholders have forced Lex, Page 12

their companies to put their existing pills to a shareholder vote, and others are reported to have used pressure to stop pills being adopted in the first place. Even if shareholders vote

against a pill, it is likely to have little effect, Unlike Canada, US boards can simply ignore their shareholders' wishes. Only a few - such as Westinghouse Electric earlier this year - have dropped pills in recent years. Dr Pepper said it would not

submit its pill to shareholders for approval, adding that the measure was adopted to protect the interests of those same share-bolders. Not surprisingly, big investors bristle when companies start suggesting that they are better guardians of shareholders' interests than the sharebolders



Cadbury fails to sweeten up Dr Pepper

incumbent management rather than shareholder interests. DR PEPPER/Seven-Up and Cadbury Schweppes have often eyed each other longingly hut placed? Experience from the last seem unable to agree who should merger and acquisition wave sugwear the trousers. Whether the gests that takeover defences do US company is determined to not stop takeovers, and may actustay independent - or merely ally force aggressive bidders to pay more for their acquisitions. playing hard to get - is as uncertain as the ultimate intentions of

the UK group. Certainly, poison pills did not ury, which raised its hold ing in Dr Pepper to 25.9 per cent gest takeovers or mergers in the last month by buying a 20 per 1980s, RJR Nabisco, SmithKline Beckman, Kraft, Squibh and cent stake from the Prudential insurance company, bas not takeover defences in place; all ruled out further share purchases were eventually dropped by the eventually. Bnt its immediate companies' boards to allow the aim is further co-operation.

That suggestion has been coolly received by Dr Pepper,

which has indicated that its idea of closer links would involve taking control of Cadhury's north American beverages husiness. Dr Pepper makes most of the UK company's soft drinks concentrates in the US and distributes some of its brands there.

What is beyond dispute is the industrial logic favouring a per cent of the US soft drinks market, Cadbury's 3.4 per cent would create e force better able to stand up to Coca-Cola and PepsiCo, the industry leaders. A deal would provide much needed sales channels and distribution power for Cadbury's US soft drink sales, which rely on a fragmented network of small bottlers. hring to any deal a robust balin return, Dr Pepper's portfolio would gain from the addition of Cadbury's profitable range of niche hrands, including Schweppes, Sunkist and Canada Dry.

Elsewhere, the two companies' strengths are reversed. Cadbury's operations in Europe, Australia, Africa and Latin America would lent ur reppei weakly represented in international markets, where Seven-Up in any case belongs to PepsiCo. Though Dr Pepper is highly

profitable, its expansion is constrained hy heavy debt, the legacy of a 1986 leveraged buy-out in which Cadbury participated. The UK company, by contrast, would

ance sheet and strong cash flow. Nonetheless, many analysts think Cadbury would be pressed to pay the £1.5bn or more needed to buy the rest of Dr Pepper. Some think a better option would be to trade control of its American drinks business for a bigger stake in the US company.

require the pair's mutual attractions to prevail over suspicion of each other's motives. As Mr David Lang, of stockbrokers Henderson and Crosthwaite, says: "They are natural bedfellows, hut neither wants to be date-raped."

Guy de Jonquières

be European Community's monetary commit-tee meets in Brussels tomorrow, giving officials a first chance to pick over the remains of the European exchange rate mechanism. While there has been little inflation goals official comment on the ERM's future since the near collapse of the system and the adoption

of 15 per cent fluctuation bands last month, attitudes have been polarising among those concerned with international monetary policy making. beginning of this year. France and Belgium still

Mr Lars Svensson, professor of international economics at Stockholm University and an adviser to the Swedish central bank, says Sweden, which previously had linked its krona to the Ecu, realised it had overestimated the capacity of fixed exchange rate eystems as a means of promoting stability. Monetary stability and credibility need to he built at home," he says.

member states For example, a country

points to boost growth, produc-ing a sharp fall in its currency. It would have to explain to fellow EC members bow this squared with its inflation target. If it could convincingly demonstrate that the action was justified, all would be well. If however, such a move presaged rising inflation, the others could exert pressure on It to keep its bouse in better

high and dry.

A straw poll of continental economists and officials last week showed considerable interest in such ideas. One senior Italian official said inflation targeting was "the logical and reasonable way forward". But those advocating inflation targeting and peer review by the EMI said the EC member states' central banks

Institute to mouitor and com-

over from the EC central bank

governors' committee at the

threatens to leave the EMI

ficiently rigorous. Central bank independence might pose a problem for the UK, which has so far refused to give independence to the Bank of England.

should he independent,

because only then would the peer review procedures be suf-

The idea of inflation targets could also run into problems with the Bundesbank, which argues that a central bank cannot target inflation in the way that it can target a monetary aggregate. But the Bundesbank law sets an objective for the bank of price stability, suggesting that the German central bank's philosophy is not too far out of line with the aims of

France would be sure to

look at for Medco

FTC's queries. Merck, which announced the news after the stock market had closed on Friday, said that the request for more information had been made only late in the afternoon and said it had not yet seen details of the FTC's inquiry. It added, though, that it was confident the deal would go ahead in the fourth quarter of the year, as

The takeover has aroused concerns among some competitors, who fear the deal could cut off an important distribution channel. Medco has said that it will continue to distribute other companies' drugs, although it expects Merck's products to account for a larger proportion of its sales.

appears as a matter of record only

STREAMLINE HOLDINGS LIMITED

Management Buy-out of the Road Services and Building Products Divisions of Colas

> from SHELL VENTURES

Total value £72 MILLION

Institutional equity arranged and underwritten by Charterhouse Development Capital

Legal advisers to Charterhouse Dickson Minto

Reporting accountants Coopers & Lybrand

Advisers to management First Independent Corporate Finance McKenna & Co

Led, structured and negotiated by CHARTERHOUSE DEVELOPMENT CAPITAL



Charterhouse Development Capital Limited, 85 Watting Street, London EC4M SEX Charterhouse Development Capital Limited is a Member of Darie

A new route to Emu offered by

deals to be finalised.

sterling was forced to quit the tiny of their policies by other ERM. Other countries have also adopted targets: Sweden converted to the system at the

might decide to slash its interest rates by 3 percentage

Economics Notebook By Peter Norman

But how can domestic inflation targets replace an exchange rate regime covering a number of countries, or point the way forward to Emu? The answer could lie in a

indicious mixture of minor

alterations to the Maastricht

Treaty and peer group pressure among the EC countries. The treaty could be strengthened by adding a specific goal for member states of price stability (usually defined as 0 to 2 per cent consumer price inflation). The convergence criteria already define objectives for inflation, interest rates and budget deficits, but only in relation to other member countries and not hy any absolute

EC member states, setting their inflation targets with the aim of achieving price stability, would have to accept scru-

If the EC member states pursued such policies they should gradually achieve economic convergence and be in a position some years hence to move to Emn with its single currency and central bank. Because there would be no narrow ERM bands, there would be no obvious target for speculative operators, such as the New York-based hedge funds,

to attack. One problem is that the EC's experience with peer group pressure has been mixed. Existing surveillance procedures in the monetary committee and the economic and finance ministers' council have had only limited success in

steering EC economies towards convergence. However, the community could strengthen peer group procedures by adapting the

an inflation target strategy.

have big objections. It is the most attached of all the hig economies to exchange rate stability. Its monetary authorities have invested immense prestige in the Maastricht process and the promise that it offers of diluting the Bundesbank's control over Europe's economic future.

But an EC-wide monetary policy based on inflation targets has a lot going for it: how else can Europe move towards Emn without falling prey to Mr George Soros and his ilk?

planned European Monetary ment on member states' poli-cies. The EMI is due to take Merck bid start of next year to help prepare for a single currency and central bank by the end of the decade. As things stand, the near collapse of the ERM

By Richard Waters

THE planned \$6bn takeover by Merck, the US's biggest drugs company, of Medco Containment Services, the country'e largest mail-order drugs distributor, has run into a potential setback with the Federal Trade Commission's Indication that it plans to scrutinise the deal more closely.

An FTC request to the two companies for more information about the merger was made at almost the last possible moment under the Hart-Scott-Rodino anti-trust regulations. The waiting period under the regulations, which would otherwise have expired last Friday, will now stretch until at least 20 days after the two companies respond to the

originally planned.

The deal is also subject to approval by Medco's share-

Bank questions NatWest loan weighting

NATIONAL Westminster's sensitivities about its low capital ratio led it into disagreement with the Bank of England over the risk weighting of some of its credit facilities, it emerged yesterday.

The bank was keen to avoid having to put up capital hack-ing for some of its undrawn credit facilities, understood to include financing for English China Clays, the building materials group, and Rhone Poulenc, the French chemicals company. But it was told by the Bank of England that such undrawn facilities could not carry zero-weighting for the purposes of calculating its cap-

NatWest's tier one capital rose from 5.2 at the end of 1992 to 5.5 according to its interim statement for the first half of 1993. Yet this is still relatively low for a large clearing bank. The figure was only achieved

hy having the results reviewed by the auditors so that retained interim profit could count towards the ratio.

It is the only bank with which the Bank of England has differed over the interpretation of the complicated rules on undrawn credit facilities. Nat-West declined to comment.

Undrawn credit facilities of up to one year carry a zero eighting. The problem arises if they are rolled forward during the year. They are only then regarded by the Bank of England as eligible for zero weighting if the lender undertakes a full credit review of the whole transaction which includes the right to cancel the

The Bank of England has recently relaxed these rules slightly, but it still insists on lenders obtaining a right to cancel the existing facility. unless It is rolled forward in the last 30 days of the one year

Sogo stake in Criterion

By Scheherazade Daneshkhu

SOGO UK Ltd. the subsidiary of the Japanese retailer, has acquired a 50 per cent stake in Criterion Developments Ltd from its joint venture partner Mountleigh, the property company which went into receiver-

ship in May, 1992, CDL owns the Criterion building on Piccadilly Circus in the heart of London's West End. Sogo made its first UK investment when it entered into a joint venture agreement with Mountleigh in December 1990, huying a 50 per cent stake for £30m.

Mountleigh went into receivership with debts of £590m. Mr Tim Hayward and Mr Stephen James, partners of KPMG Peat Marwick, joint administrative receivers, warned at the time that the disposal of Mount-leigh's £400m UK property

portfolio could take years. Mr Hiroo Mizushima, president of Sogo Co Ltd, said that the company's full acquisition of the London site was an important element in Sogo's international development,

Molins pension surplus split

pension schemes of Molins, the tobacco machinery and packaging group, has been split rowings. between the schemes' members and the company.

The 6,000 members stand to gain an average of 10 per cent enhancement of their benefits from roughly half the surplus.

The £38m surplus on the UK while Molins has received £11.8m after tax which it will use to reduce group bor-

The move had been expected since a proposal to share the surplus between the company and members was made at the group's annual meeting in

Canadian Pizza for market with £40m value

By Andrew Bolger

THE CANADIAN Pizza Group, a Salford-based company which exports its pizzas to several European markets including Italy - will be floated on the stock market this antomo.

The group, which will have a market capitalisation of about £40m, was the subject of a £15.5m management buy-out from its Canadian parent in

May last year. Canadian Pizza makes 40m pizza crusts per year and sup-plies about 35 per cent of the s sold by UK superstores as their own brands. It employs 250 people at plants in Salford and Nelson in Lancashire.

Pre-tax profits increased last year from £1.3m to £2.2m on sales which grew from £11m to £15.2m.

The group believes a listing will enhance its ability to exploit the growth potential of the chilled and frozen pizza market, as the additional capi-tal raised will be invested in new production facilities. Southern France is a possible location for a new factory. A growing segment is the in-store delicatessen cnstom-made pizza, for which the company supplies cases.

In 1982 Mr Harry Kent, cofounder of the group, began importing pizza crusts made in Canada by the Canadian Pizza Crust Company, run hy Mr Gino Molinaro. In 1985, Mr Molinaro and Mr Kent establisbed a business to make pizza bases in the UK. In May last year Mr Molinaro sold his stake in the business to a management buy-ont led by Mr Kent, with the support of Mur-ray Johnstone, 31 and ECI Ven-

Mr Kent, the group's deputy chairman, said: "Pizzas are an increasingly popular snack food...I have no doubt that progress, particularly into the chilled market, will continue at an above average rate in comparison to overall retail

The float will be sponsored by Robert Fleming and Hoare Govett will act as broker to

Floating to development and expansion

Maggie Urry reports on Parkdean's plan to shake off restrictions on growth

RAHAM Wilson twice tried to buy out the business he runs. The second time he succeeded. But now he is as keen to escape from the buy out structure which is cramping his plans to

The husiness is Parkdean Leisure, which operates seven caravan and chalet holiday parks in the UK - five in Scotland and two in East Anglia and Mr Wilson's escape route is a flotation which is planned for next month.

He aims to raise between £7m and £9m, with most being new money to repay the group's debt and preference shares. That will give the com-pany a market value of up to £15m and leave Mr Wilson with the flexibility to develop the existing parks or buy more. Mr Wilson joined the com-

pany in 1981 when it was part William Leech, the Newcastle based bouse huilder. Leech had seen leisure parks as an asset-play, but, says Mr Wilson, did not want to put money into developing them.

He was working on a management buy-out when Leech was taken over by Beazer in 1985. Beazer decided to keep the business and invest in it. But as its amhitions spread, Parkdean became less important to its parent once again. Mr Wilson achieved his aim with a £6.9m mbo in January 1989, when Parkdean bad 5

parks. That involved a £2.5m

Graham Wilson: first selling holidays then other things term loan, £2m of deferred payments to Beazer and equity, to "come back when you're a grown up company". In 1991, he raised another £1m of venincluding £2.17m worth of prefture capital and eliminated Despite the hefty debt, Parkpart of the deferred payment to dean has managed to buy three

> But. Mr Wilson says, venture capital is expensive and the banking climate has been poor. There have been times when to "hang on to our hats and go

Beazer, since taken over hy

for it". The alternative, he 23, and the number of vans for says, would have been to wind the group down, running it for cash to service the deht and preference shares.

Now, Mr Wilson says, "we have got to the point where we can't go any further because of the structure". In the financial year to end November 1992, Parkdean achieved an operating profit of £1.3m, up from £1.03m in 1991. But from that interest charges of £800.000, tax, and preference dividends of £200,000, left little to repay debt and invest in the busi-

Despite the stringencies Mr Wilson and his team have demonstrated an ability to buy and develop parks, significantly increasing their profits in the process. With the industry highly fragmented there should be plenty of opportunities to apply the skills to mora acquisitions, and spread the overheads - such as the telesales operation - more widely.

Only a few months after the buy out, in June 1989, Parkdean bought Grannie's Hielan' Hame, a caravan park on the north-east coast of Scotland. By April 1990 a new indoor heated swimming pool, with jacuzzi, sun beds and sauna, had been built. The cost of £330,000 was partly paid for by a £100,000 government grant designed to help tourism. The addition of the pool

extended the number of weeks

the park is fully let from 15 to

hire has been increased from 66 to 90 this year. On top of that, the number of owned vans - where owners pay a rent - has risen from 3 to 30. with Parkdean making additional profits from trading

Mr Wilson aims to increase from the 120 hire and owned vans to 160 in the next three or four years. Even that will make the park small hy the standards of many park operators, and the aim is to retain the "personal service" which contributes repeat and recommendation husiness - that accounts for over 55 per cent of the bolidays

ouring pitches are avail-able too, and Mr Wilson has plans to develop these for the new generation of caravans which "hook up" to mains services. He reckons he can double the overnight rate

for such pitches. He puts the success of a park down to three factors: location. facilities and marketing. Grannie's, for example, is on a good sandy beach, near a town, but not surrounded by other caravan parks. As well as the pool, the facilities include bars and a restaurant, a grocer and a fish and chip shop, amusement machines, and a launderette.

"First we sell them holidays. then we sell them other things," Mr Wilson explains.

HTR Japanese trust launch

Handerson Touche Remnant, the large investment trust management group, confirmed yesterday that it plans to launch a £30m plus investment trust specialising in Japanese small and medium sized companies this Wednesday.

The fund, to be known as the HTR. Japanese Smaller companies Trust will be launched via a placing and offer for subscription with the launch co-ordinated by Barclays de Zoete Wedd. The new investment trust will be managed by Mr William Garnett, who currently runs Henderson's smaller companies investment trust and will aim for longer term capital growth.

Coats in further Chinese ventures

new parks, while selling one;

set up a telesales operation to

market the holidays better;

and develop the parks' accom-modation and leisure facilities.

But it has not been easy. Mr

Wilson first approached hro-

kers about a float only a year

By Joel Kibazo

erence shares.

Coats Viyella, the textiles and clothing company, announces that the number of its joint ventures in China had risen to five following two further agreements, worth a total of

In the first of the two new joint ventures, Coats has taken a 50 per cent stake in a yarn spinning mill it currently manages. Under the terms of the second venture, the company is to take a 60 per cent stake in a new factory to produce industrial wool yarn for the export market, in line with its other joint ventures in

CROSS BORDER M&A DEALS COMMENT BIDDER/INVESTOR VALUE Optical Investor Group (US) Unit of Pilkington (UK Swiss Re (Switzerland), John Head (US) Continues Partner Reinsurance £170m industry trend (Joint venture) Buying McGregor -Navire arm Materials handling Unit of Kone (Finland) Stake in Fujisankei (Japan) Echo Label (UK) Music £11,5m Chrysalis unit Strengthening Unit of Perstorp (Sweden) £11.1m Cookson (UK) Electronic Publishino Electronic move Delphi Internet Services €8m News Corp (Australi News Corp (Australia) Broadcastino Pay TV venture CamaudMetalbox Zeller Plastik (Germany) Packaging (UK)/France) purchase Strategic move Deutsche Bank (Germany) Bradduck Dumn McDonald IABG (Germany) sells 45%

INVITATION

FOR THE SUBMISSION OF SEALED BINDING OFFERS

FOR THE ACQUISITION OF MEVIOR'S SHARES

HELD BY ELEVME S.A.

SUMMARY INFORMATION ON MEVIOR S.A. MINING AND INDUSTRIAL MINERALS - MEVIOR S.A.

FINANCIAL DATA

Based on Balance sheet Dec. 31, 1992

(As per Greek Law 2000/91) Potential buyers are invited to receiva, after signing a confidentialit agreament with ELEVME S.A., the information Brochure describin MEVIOR's activities.

MEVIUM's activates, interested parties shall submit a binding offer, in a sealed envelope, for 393,960 shares (out of a total of 500,500 shares). It is Indispensable that the offer be accompanied by a guarantee letter issued by a Bank legally operating in Greece for the sum of 25,600,000 Drs which represents 10% of the starting price of the public auction. The guarantee letter, draft of which can be obtained from ELEVME S.A., shalt be submitted enclosed in a separate envelope marked "Guarantee Letter".

a separate envelope marked "Guarantee Letter".

The offers shall be submitted on Tuesday the 28th September 1993 between 8.00 am and 12 noon to the notary public of Langada (Thessalonilia prefecture) Szavroula Anastassopoulou, 33 Loutron Street, 1st floor, Tel. (0334) 25568.

The offers shall be opened on the same day at 12.15 pm. The bidden may witness the opening of the offers.

The starting price amounts to 650 Drs per share i.e. a minimum total of 256.074,000 Drs (Decision of Court of Appaal of Thassaloniki No 1167/1993).

Thair intentions in respect of maintaining or not or increasing the number of job positions Any other proposals for further developing the company's activities

To obtain the information Brochure as well as additional data on MEVIOR, those interested can apply to the liquidators of ELEVME S.A., 18 Kitissias, Maroussi, TEL: (01) 5843520 and (01) 6843529, FAX: (01) 6843527.

Maroussi, September 1st, 1993 THE LIQUIDATORS

nts, increasing of exports etc.

MEVIOR is now active in the production and marketing of:

60.512.881

56,613,972

65,995,324 66,597,115 16,669,151

1,138,958

500,500,000

237, 197, 648 13,792,452 (138,390,886)

635,298,588

86.267 17,473,285

ASSIROS, Pref. Thesseloniki

Silica sand Quartzite

LOCATION:

ASSETS

B. INSTALLATION COSTS

FIXED ASSETS

D. CURRENT ASSETS

E. INTERIM ACCOUNTS

TOTAL LIABILITIES AND EQUITY

TOTAL ASSETS LIABILITIES AND EQUITY

These securities have not been registered under the Securities Act of 1933 and are subject to U.S. tax law requirements. Accordingly, these securities may not be offered, sold or delivered in the United States or to U.S. persons and this notice is not an offer of the securities. This unnouncement appears as a matter of record only:



Bacardi-Martini Finance B.V. (incorporated with limited liability under the laws of The Netherlands)

U.S.\$200,000,000 5¾% Bonds due 1998

unconditionally and irrevocably guaranteed by

Bacardi Limited

(incorporated with limited liability under the laws of Bernauda)

J.P. Morgan Securities Ltd.

S.C. Warburg Securities

Citibank International plc

Credit Suisse First Boston Limited

Deutsche Bank AG London

Goldman Sachs International Limited

ABN AMRO Bank N.V.

Banco Bilbao Vizcaya. S.A.

Banca Commerciale Italiana

Chase Investment Bank Limited

Banque Bruxelles Lambert S.A. Credit Lyonnais Euro-Securities Ltd

Istituto Bancario San Paolo di Torino S.p.A. Lehman Brothers International

Kidder, Peabody International Lombard Odier International Underwriters S.A.

Merrill Lynch International Limited

RBC Dominion Securities International

Salomon Brothers International Limited

Swiss Bank Corporation

JPMorgan

July 1993

| Part 17 ho possible present present

FOREXIA FAX \$ DAILY FOREIGN EXCHANGE COMMENTARIES, CHARTS, FORECASTS AND RECOMMENDATIONS

Bond Futures Fax - FREE 2 week trial 7 Swallow Street, London W1R 7HD, UK + interest rate specialists for over 22 years

ing your fax handest ONLY die! (+44) 81 332 7425 for an itemediate free re

The bidders should also submit a letter conce

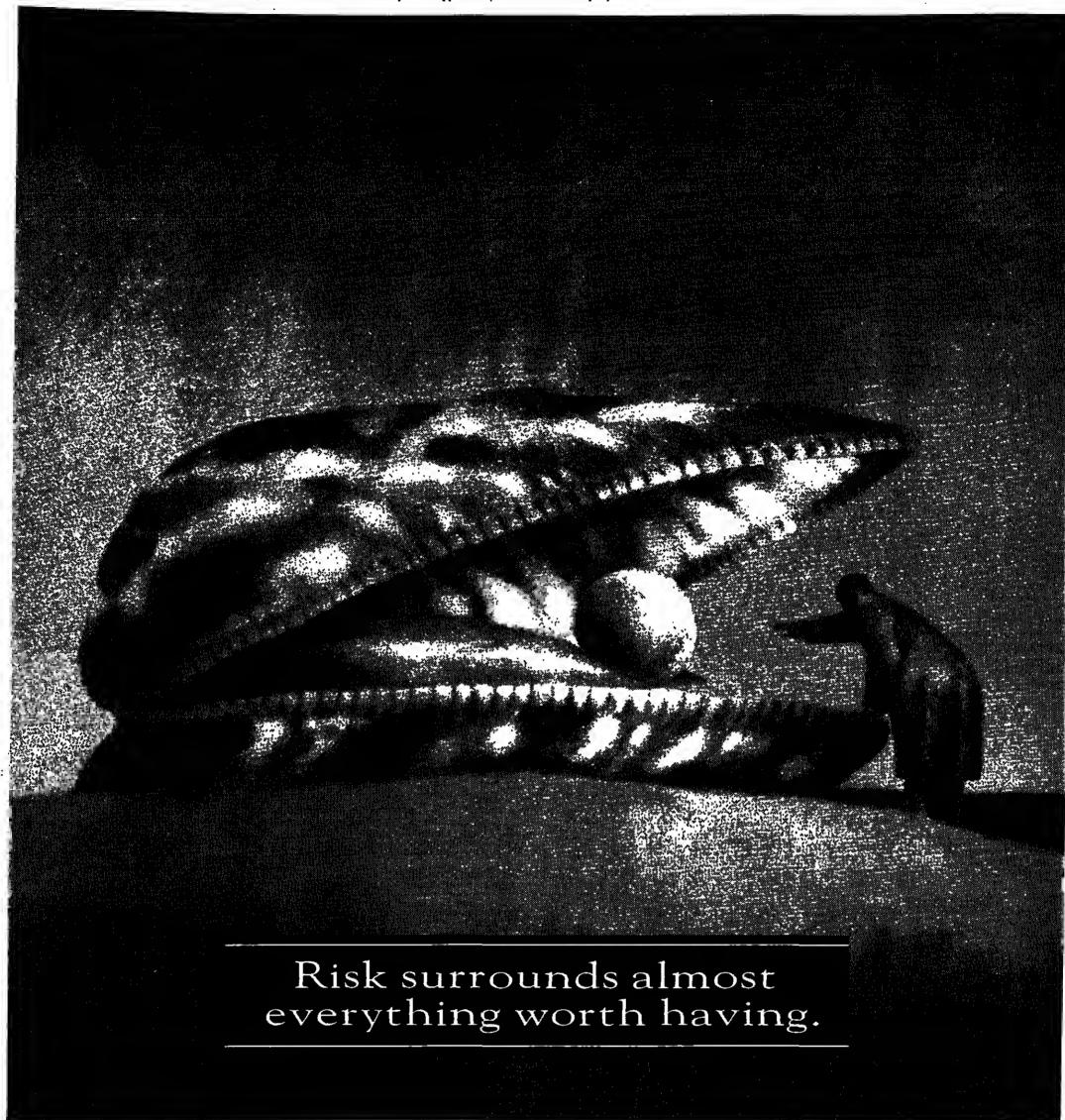


WHY PAY MORE FOR LESS?

insion i growth

ITATION

DRISEALED SIADING OFFER ON OF MEY OF SISHARES • 1991 and issued by Bankers Trust New York Corporation and its affiliared companies. Approved by Bankers Trust Company. Member of SFA



Maybe you're building cars. Maybe you're building buildings. Between you and your corporate goals lies a complex set of risks.

Manage the risk, and you'll prosper. Ignore it, and you won't. Managing a business is almost wholly a matter of managing risk.

Here, Bankers Trust can help. Our whole enterprise is dedicated to helping clients shed risk that can hurt them. And assume risk by which they can profit.

We're not just talking traditional risk: currency,

interest rates, commodity prices.

But if your market share is menaced by imports, we'll help you neutralise that threat. If your pension funds are lagging their liabilities, we'll help you fix that, too.

Surprised? Don't be. Our unique strength is managing virtually every type of global risk.

So go for the things worth having. Bankers Trust can help put them well within your grasp.

Bankers Trust
LEAD FROM STRENGTH.

Use of Intel technology casts shadow on AMD

processors, the company said.

ment team was exposed to cer-tain Intel 386 intellectual prop-

erty that had been awarded to

us by the arbitrator of our

breach-of-contract dispute with

Intel," said Mr Richard Lov-

gren, AMD associate general

He acknowledged that an

appeals court ruling in June

had overturned the arbitrator's

right to use the Intel micro-code. Mr Tom Dunlap, Intel's chief counsel, said: "Once

agaio, it seems that AMD

would rather take legal risks

than develop products indepen-

AMD, bowever, expressed

optimism that its rights to the

software will be restored by

the California Supreme Court, which last week granted the company's request for a review

"We are very pleased the

Supreme Court has agreed to

review a ruling that we believe

is wrong and manifestly

unjust," said Mr W.J. Sanders

III , AMD chairman and chief

executive. The review effec-

tively vacates the negative rul-

ing of the appeals court, AMD

been granted a new trial, to

AMD also noted that it has

of the June ruling.

counsel.

dentiv.

"The (microcode) develop-

By Louise Kehoe n San Francisco

ADVANCED Micro Devices has disclosed that its latest microprocessor chips, to be introduced later this month, will incorporate Intel technology that is at the centre of a longrunning legal battle hetween the two Silicon Valley chip-

AMD's sales of 30m clones of Intel microprocessors bave award, compromising AMD'a greatly boosted the company's revenues and earnings over the past two years. However, the legal disputes with Intel - the world's largest semiconductor manufacturer - have cast uncertainty over AMD's future microprocessor sales and could potentially make the company liable for substantial penalties. Previously, AMD had said that it would lift the cloud of legal uncertainty and achieve 'technological independence" from Intel by designing its own

ware that controls the functions of a microprocessor chip. However, AMD now says its "independently derived" microcode for new 486 microprocessors - widely used in personal computers - is not eotirely

microcode for the oew chips.

Microcode is the internal soft-

About 25 per cent of the software is "substantially similar" earlier generation of 386 micro-

Sime Darby Stockholm approves Volvo/Renault merger increases earnings by 11%

By Kieran Cooke in Kuala Lumpur

SIME DARBY, the Malaysiabased conglomerate which claims to be south-east Asia's biggest multinational, has announced pre-tax profits of M\$840.8m (US\$331m) for the vear to June 30 1993.

The figure represents an 11 per cent rise over the previous year and more than four times Stme Darby'a 1987 profits.

Group turnover was M\$7bn a 14 per cent rise over last year. A final gross dividend of 18.5 Malaysian cents has been recommended, compared with 14.5 cents last year.

Sime Darby, once largely plantation based, is now involved in a wide range of activities including the manufacture of rubber products, the oil and gas industry, property and motor and heavy equipment franchises.

Sime's higgest casb earner was once again its operations in Hong Kong, where it is the main automotive and heavy equipment distributor. Pre-tax profits from Hong Kong were up 33 per cent to M\$195m compared with M\$142m last year.

"This remarkable acblevement is the result of a booming economy in southern China and has taken place in spite of the fact that the future of the new Hong Kong airport and the Legislative Conncil elections remain unresolved," said the group.

A cutback in logging led to a decline in earnings from the group's beavy equipment bust-

The plantations division benefited from continuing strong prices for palm oll, though sagging rubber prices resulted in lower production and affected overall plantations performance, Mr Nik Mohamed Yaacob,

must do what it thinks is right wary of domestic political senfor Volvo."

announce the merger hefore the start of the Frankfurt motor show tomorrow. However, a French government official said yesterday that the agreement had yet to be signed and a delay until tomorrow or Wednesday would not matter.

The merger will create one of Europe's four biggest car manufacturers and the world's second biggest truck group. It will set the seal on a three-year old industrial alliance which began with an exchange of cross shareholdings in 1990. The French government,

Both companies want to Renault, which it has placed on a list of 21 state-controlled groups it seeks to sell in an ambitious programme to be

65 per cent stake in the joint company.

sitivities surrounding the merger, has insisted on a dominant role in the partnership for

> launched this autumn. Motor industry analysts believe the most probable scenario is that the French car group, currently 79 per cent owned by the state, will have a

> Renault's chairman, Mr Louis Schweitzer, will be in cbarga of day-to-day operations, with the flamboy

who has led Volvo since 1971. as head of the supervisory board.

Aware of the sensitivities in Sweden also over the future of one of the symbols of the country's industrial prowess, Mr Gyllenhammar has kept Mr Carl Bildt, the Swedish prime minister, abreast of the negotiations. Volvo is hoping that other political and market reaction to the merger will be similar to that of Mr Bildt. Most analysts in Stockholm

view a 35 per cent share for Volvo as a reasonable outcome. You can never be sure of anything, but if people look at

ant Mr Pehr Gyllenhammar, this in a neutral way they must see that it is the best deal for shareholders, given the alternative of a future on our own," said a Volvo official.

According to expectations, French control will be wielded through a majority stake in a joint holding company and through a stake in a unit which groups the automotive operations of the two compa-

But Volvo is expected to retain a powerful influence. Volvo will hold smaller stakes in the holding company and the industrial unit. It is likely to have veto powers over strategic issues.

Kuok tipped to buy S China Morning Post

By Simon Davies in Hong Kong

By Hugh Carnegy in

Stockholm and John Ridding in Paris

SWEDEN'S centre-right

government has given its bless-

ing to the full merger, expected

to be announced in Paris this

week, possibly today, between

Volvo, the country's premier

manufacturing company, and

Renault, the state-controlled

French car and truckmaker

the Swedish economy, hut this

is a market-oriented govern-

ment," said a senior govern-

ment official. "Our view is that

Volvo as a private company

"Volvo is very important to

due to be privatised shortly.

TRADING in South China Morning Post shares was due to resume today amid expectations that this week will see Hong Kong's best-known newspaper fall into the hands of one of China's best-loved over-

Mr Rupert Murdoch's News Corporation announced on Friday that it was negotiating the sale of its 50 per cent stake in SCMP, and while the buyer's name has not been confirmed, it is widely expected to be a consortium led by Malaysian born "Sugar King" Robert Kuok.

The share sale would trigger a general offer for the company, under Hong Kong's takeover and mergers code, but local newspaper coverage has raised expecta-tions of an offer below Friday's closing price of HK\$5.35. Based on that price, the Murdoch stake would he valued at HK\$4bn

Mr Kuok commands one of the largest business empires In south-east Asia, and having made his fortune through sugar trading in Malaysia, he now controls a wide range of businesses, from hotel and property development to trading. He has a long track record of investment

in Hong Kong, where he is now based. He recently floated his Hong Kong and Chlnese hotel interests, as the HK\$6.5bm market capitalised Shangri-La Asia. However, the purchase of SCMP would be his largest and most high profile investment in the

It is his China connections which will attract most attention, if he finalises the deal. Mr Kuok was behind Beijing's first major internationally-funded property development, the US\$480m World Trade

He also owns 13 per cent of Hong Kong's largest mainland-controlled investment vehicle, Citic Pacific, and has substantial

investments in property and trading in China. Beijing would not welcome criticism from business partners, and is very sensitive to its media coverage in Hong Kong.

As one senior employee at the SCMP

stated: "One of the ironies of this deal is that in a week's time, Rupert Murdoch may be held up as tha last bastion of free speech and democracy in Hong Mr Murdoch had implemented few

changes at the newspaper. He treated it as a cash cow and paid out the hulk of earnings in dividends, while playing no apparent role in its editorial content.

He is likely to make more than HK\$5bn profit from the deal, and he was clearly concerned about the future of running an English language newspaper in Hong Kong after its 1997 hand-over to China, from both a political and business perspec-

Poland to sell 60% of Bank Slaski

By Christopher Boblnski

POLAND is to offer 60 per cent of the equity of Bank Slaski for sale in the second privatisation of the country's nine stateowned commercial banks created in 1989.

The planned disposal of the 6.6m shares comes after the sale earlier this year of Wielkopolski Bank Kredytowy (WBK), in which tha European Bank for Reconstruction and Development took a 28 per cent share. Now the EBRD is expected to bid for a share of the "large investor" tranche making up 45 per cent of Bank Slaski's equity for a which a tender is to be announced on

September 14. The share price agreed under the tender will then be treated as a marker for the remaining 15 per cent of the equity which is to be offered to "small"

investors later in the year. Mr Leslaw Paga, head of Poland's Securities Commission, which approved the publle offer, said the price for small investors would be "no higher" than that for large investors, but could be lower.

The procedure is designed to avoid controversles which accompanied the WBK privatisation, where the offer price was set before a boom on the Warsaw stock exchange giving investors handsome profits and leading to charges that the bank had been underpriced.

begin in November, of a related to software intel created for an microcode copyright infringe-

Toronto SE launches index

said.

By Robert Gibbens in Montreal

THE TORONTO Stock Exchange is to launch on October 1 an index of 100 most actively-traded stocks. It is designed to help institutional investors measure Canadian equity performance more accu-

The TSE-300 Index, now among the most widely used, includes smaller capitalisation stocks. The new 100 index will contain only large capitalisation stocks and the most liquid

It will comprise stocks representing 83 per cent of the total

capitalisation of the TSE-300, A range of derivative products will he ready within six months.

The new TSE-100 was given a value of 250 at August 31 and will reflect market changes since then when the TSE begins reporting on October 1. The TSE-300 continues, and those stocks not included in the TSE-100 will later form the

basis of a new TSE-200. The 100 Index will be updated each April at the same time as the 300. Stocks in the 100 are classified into resource, industrial, interest-sensitive and consumer producis groups.

ness in Malaysia, but revenues from the group's substantial involvement in the local oil and gas industry made a significant contribution to overall profits.

the new group chief executive, said that in the short term Sime's main priority was to turn round its insurance business, which continues to make

NEWS DIGEST French retailer trebles profit

in a statement to sharehold-CASINO, one of France's largest food retailing groups, achieved a three-fold increase in pre-tax profits to FFr60.1m (\$10.32m) in the first half of the year, writes John Ridding in

The rise from FFr18m in the first slx months of 1992 reflected its merger with Rallye, the supermarket group, at

the end of last year. Net attributable profits rose much more slowly, increasing by 25 per cent to FFri7.6m. Sales rose slightly from FFr33.25bn to FFr33.75bn. But the group said that the increasa was impressive against the background of falling consumer demand and supermarket price wars arising from the recession in France.

ers, Casino expressed optimism about the remainder of the It said that cost cutting measures introduced over the past two years were beginning to hear fruit and that the merger

with Rallye was progressing

M Northern Telecom, the equipment manufacturing affiliate of BCE of Canada and Germany's Rohert Bosch have dropped a joint venture to manufacture transmission equipment, writes Robert

Gibbens in Montreal.

Last March the companies announced the venture to produce equipment under the CCITT global standard. Eech planned to put certain assets, technology and personnel into market changes may have dicthe project and Nortel would have gained a distribution channel for some of its equip-

ment in Germany.

At the weekend the two companies would not enlarge on a statement, saying they bave "strengthened their relationship and are co-operating in other areas of mutual interest, including several global hid-

ding opportunities. Analysts regarded the ending of the joint venture as a potential setback for Nortel. Germany was a key market in Nortel's strategy to become a leader in European telecom

Inter Capital Limited · U.S. \$50,000,000 Floating Rate Notes due 1997

Notice is hereby given that the

interest Rate for the period from 3rd September, 1993 to

equipment," said Mr Fredericks Larkin, of Bunting Warhurg in Toronto. However, industry sources stressed that international

tated the move. Nortel, in a US\$400m note issue filing, said it will would contend a US tax re-assessment for 1980-85, potentially requiring payment of US\$450m.

The company said it has a

strong case to contest the IRS

claim. GTE, the US telecommunications group which has already shed 6,400 people through voluntary separation programmes this year, is to cut its workforce by a further 1,000 through compulsory redundancles, writes Richard Waters in

New York.

Kirin Brewery Co. Ltd

has acquired

a 50% shareholding in

a subsidiary of Kemira Oy

The undersigned acted as financial advisor to Kirin Brewery Co. Ltd. in this transactioo

The Mitsubishi Bank, Limited

September 1993

The Musubishi Bank, Limited is a member of the SFA



Kirin Brewery Co. Ltd

has acquired



and its subsidiaries

The undersigned acted as financial advisor to Kirin Brewery Co. Ltd. in this transaction



September 1993

The Mitsubishi Bank, Limited is a member of the SFA

3rd March, 1994 is 4.8125%. The Floating Rate Note Inter est Amount payable on 3rd March, 1994 is U.S. \$241.96 per U.S. \$10,000 and U.S. \$6,049.05 per U.S. \$250,000. of the Terms and Conditions of the Notes, the Interest Rate applicable for those Noteolders who have elected to Redeem their Notes on 3rd March, 1994 is 3.9375% and the Floating Rate Note Interest Amount payable will be U.S. \$197.97 per U.S. \$10,000 and U.S. \$4,949.22 per U.S. \$250,000.

EUROFIMA

U.S. \$250,000,000 Deutsche Mark LIBOR Based Floating Rate Notes due 2002

For the Interest Period 3rd

September, 1993 to 3rd Dec-ember, 1993 the Notes will carry an Interest Rate of 5.375% per annum with Coupon Amounts of U.S. \$13.59, U.S. \$135.87 and U.S. \$13,586.81 per U.S. \$1,000, U.S. \$10,000 and U.S. \$1,000,000 Notes respectively. The relevant interest Payment Date will be 3rd

Swiss Bank Corporation

Commerzbank Aktiengesellschaft U.S.\$ 250,000,000 Subordinated Floating Rate Notes Due 2002

n accordance with the provisions of the Notes the following notice Interest Period:

September 3, 1993 to March 3, 1994 (181 days) Interest Rate: 5% p.a.

Coupon Amount: U.S.\$ 125.69 per U.S.\$ 5,000 Note
U.S.\$ 251.39 per U.S.\$ 10,000 Note

U.S.\$ 2,513.89 per U.S.\$ 100,000 Note March 3, 1994

Payment Date:

Frankfurt/Main, September 1993 COMMERZBANK 302

COMMERCIAL PAYING AGENT

CENTRAL ADMINISTRATION AGENT AND LISTING AGENT

CENTRAL ADMINISTRATION AGENT AND LISTING AGENT

The Directure of Schroder International Selection Fund have resolved that as from 6th September 1993 Bank of Boronada (Locambourg) SA is to be appointed custodian of the assets of the Fund, which has its registered office at 13 rea Gordine, L-1637 Locambourg is place of Burque Generale du Locambourg, which has its registered office at 14, rea Addrigen, L-1118 Locambourg, Bank of Bermada (Locambourg) SA is also to be appointed Principal Paying Agent, Central Administration Agent and Listing Agent as from 6th September 1993, in place of Bringle Generale du Locambourg.

From 6th September 1993, holders of Bestre shares are re-

riden our conservation of the state of the s

DO YOU WANT TO KNOW A SECRET?

The LD.S. Gann Seminar will show you how the markets REALLY work. The amazing trading techniques of the legendary W.O. Gann can increase your profits and contain your losses. How? That's the secret. Ring 061 474 0080 to book your FREE place.

Company capital III. 1,063,452,000,000

red at the Court of Naples, registration no.4 180/91 gistered at C.C.I.A.A. in Naples at no. 487026 Tax Code and VAT Number 06385880635 NOTICE OF ORDINARY AND EXTRAORDINARY MEETING OF SHAREHOLDERS

Pres III. 3,434,240,989,614

Notice is given that, immediately after the Extraordinary Meeting of Shareholders, convened at the Registered Office in Naples, Via Toledo, 177., on 21 September, 1993 at 12::30pm for the linst meeting and, if necessary, on 22 September, 1993, for a second meeting, at the same time and place, as per the notice that appeared in the Gazzetta Ufficiale no. 201 part II on 27 August, an Ordinary Meeting will be held, having the tollowing Agenda: Substitution of resigning Directors and nomination of the Company Chaliman in accordance with art, 13 of the

Notice is also given that the agenda of the Extraordinary Meeting has been extended as follows:

Amendment of articles 1.2.3,7.8,11.13,15,17,21,23.25 and 28 of the Company By-Laws, suppression of the transitory regulation by these by-laws and insertion of a transitory regulation for the structure of the Administration.

All turther information contained in the notice published in the Gazzetta Utriciale no 201 part if on 27 August, 1993

Naples, 1 September, 1993

On behalf of the Board of Directors Avv. Vincenzo Scarlato

Notice to Noteholders U.S. \$75,000,000 The Venezuela Collateralised DCB Corporation I 8%% Senior Secured Notes due 1994 (the "Senior Notes")

Notice is hereby given that, in accordance with Condition 7(b) of the Senior Notes, The Venezuela Collateralised DCB Corporation I (the "Issuer") will redeem U.S. \$791.87 principal amount of each U.S. \$1,000 Original Principal Amount of each Senior Note, plus accrued interest of U.S. \$17.31, on the Senior Notes Cell Date talling on September 22, 1993. This amount is 79.1666% (19/24ths) of the Original Principal Amount of each Senior Note and aggregates U.S. \$59,375,000 for all the Senior Notes. Payment of such principal amount, together with such accrued interest, will be made, in the case of Bearer Senior Notes, upon surrender of the relevant Talon (Talon No. 4) and otherwise as provided in the Conditions of the

PRINCIPAL PAYING AGENT AND TRANSFER AGENT The Chase Manhatten Bank, N.A. Woolgate House. Coleman Street

> PAYING AGENT AND TRANSFER AGENT Chase Manhattan Bank Luxembourg, S.A. 5 Rue Plae L-2338 Luxembourg REGISTRAR AND TRANSFER AGENT The Chase Manhattan Bank, N.A.

New York, NY 11245 By: The Chase Manhattan Bank, N.A. September 6, 1993

4 Chase Metrotech Center, Brooklyr CHASE

参Schroders

Interim Statement

3rd September 1993

The profits after tax of the Schroder Group for the first six months of 1993 were higher than in the same period of the previous year.

An interim dividend for the year ending 31st December 1993 of 4p per share (1992: 3p adjusted for May 1993 capitalisation issue) has been declared.

The dividend will be payable on 21st October 1993 to ordinary and non-voting ordinary shareholders on the register on 30th September 1993.

Schroders plc, 120 Cheapside, London EC2V 6DS

INTERNATIONAL CAPITAL MARKETS

INTERNATIONAL BONDS

merger

the best deal street of the be

Period to influence to influenc

Poland to

sell 60% of

Bank Slaski

Por can the Market in the Artifaction Other Table Sonke on

Final of the state of the state

 $M_{\rm total}(B) = \{ 1, \dots, n \}$

neese sense.

Augustianen Fielding Rate

11

and Deng The part of the pa

and the major

By Christopher Bobinski

Austria and Exim deals revive Euroyen sector

THE LAUNCH last week of two large yen-denominated Eurobond yen sector. Both issues were priced against the World Bank's yen global issues by top-quality borrowers has helped to revive investor interest in the Euroyen sector of the international bond market.

The Export-Import Bank of Japan raised Y75bn through an offering of 10-year Eurobonds and the Republic of Austria established a new benchmark at the long end of the Euroyen market with its Y60bn issue of

12-year Eurobonds. Syndicate managers say that Exim's 10-year Eurobond issue has helped to open up the Euroyen sector for other Japanese governmentguaranteed entitles.

In the past, the Japanese finance ministry had discouraged them from raising yen-denominated funds outside the domestic bond market. However, the ministry has changed its stance in recent years.

So far, the Japanese Development Bank (JDB) has been the only government-guaranteed entity to issue in Euroyen. It has launched two such offerings in the past two years, and is thought to be considering a third, of the same size and maturity as Exim'a.

Austria followed rapidly on Exim's heels, and both issues have provided liquidity which is badly needed at the long end of the Euro-

against the World Bank's yen global bond due 2003. Exim's issue was priced to yield six hasis points above tha yield on World Bank's bond. Some managers said the issue

was generously priced. By contrast, the pricing of Anstria's issue, launched at a spread of 13 basis points over the yield on the World Bank bond, was widely regarded as tight. Some syndicate managers said the spread should have been five basis points wider to compensate for the extra two years of the bonds' life. However, a spokesman at tha lead manager, Yamaichi International, said last week the pricing was justified by the quality of the borrower and

demand for long-dated paper. The pricing also reflected Yam-aichi's view that Japanese interest rates will be cut in the near future, which would increase the attraction of the 41/2 per cent coupon.

Syndicate managers say these two issues could herald a steady stream of Euroyen issues over the coming months, which would stem the decline in volume in this area of the Euromarket

According to IFR Securities Data. the percentage of all Eurobonds issued in yen fell in the first eight months of this year, to 10 per cent Discount rate (%)

1992

Source: Datastream

of the total from 11.5 per cent in the same period last year. By contrast, sterling's share rose from 8.7 to 12.6 per cent and the D-Mark's to from 9.7 to 14.5 per cent. The dollar's share remains the largest at around 35 per cent.

The data also show that the yen

dropped to fourth position in the table of the preferred issuing currencies from second position. The lack of swap opportunities this year has deterred non-Japanese issuers from borrowing in yen. Many issuers only tap the Euroyen sector if they can swap the proceeds of their offering into dollars which

NEW INTERNATIONAL BOND ISSUES

are fixed at a margin below the London interbank offered rate (Libor). However, swap conditions have improved recently and Exim is thought to have exchanged the pro-

ceeds from its offering into dollars, achieving an all-in cost of funds of 20 basis points below Libor. Non-Japanese borrowers have

appreciation against other currencies in recent months. Syndicate managers say they are now looking more closely at the Euroyen sector, encouraged by expectations that the yen has reached its peak. "Many borrowers would like to

borrow in yen when it is close to its all-time high because their currency exposure should be reduced in the long term as a result," says one syndicate manager. Expectations of a further cut in

Japanese interest rates to boost the country's flagging economic growth have further enhanced the market conditions for borrowers. Many economists expect a cut of up to % points in the discount rate, which is

currently at 2½ per cent. The Japanese government bond market has been strengthening as a result of the hopes of a cut in rates. Analysts believe that after the cut, interest rates are likely to remain low for the foreseeable future.

in the light of such forecasts investors are keen to buy long-dated yen bonds which offer a coupon with some premium over the current low yields in the government bond market.

Yet despite the favourable conditions for borrowers and the current demand among investors for yen also been hindered by the yen's Eurobonds, syndicate managers are careful not to launch too many new issues for fear of saturating the market

> The Euroyen market is less liquid than other sectors of the international bond market because of It is still limited to the highest credits, namely sovereign and supranational borrowers, or triple A-rated corporate names.

As a result, many yen Eurobond issues become illiquid very soon after their launch. This is a draw. back for investors wanting to sell thair bonds before they are redeemed so they are reluctant to buy too many at issue. "It is a self-perpetuating problem," says one syndicate manager. Last week's deals helped to pro-

vide liquidity at the longer end of the market but syndicate managers say it will take a considerable time before this vicious circle is broken.

Antonia Sharpe

tility in exchange rates in the last year, and the virtual collapse of the exchange rate machanism, bas heightened the awareness of institutional investors of the potential impact on profitability of a company's approach to currency exposure. Last year, the Association of Corporate Treasurers published a set of draft guidelines designed to make it easier for institutional investors to analyse the implications of foreign exchange management. The subject has been a matter of intense debate, since there is some opposition to increasing disclosure, but definitive guidelines are expected this autumn. Mr Gerald Leahy of the ACT said there was a strong feeling

treasury policy. Stock analysts are also waking up

As well as defining the extent and nature of these companies' foreign exchange exposure, analyst Ma Julie Bower details their policies on

underlying long-term competitive

RISK AND REWARD

Broadening the horizons of currency exposure management



use of derivatives by non-financiai companies had only sparked intarest among shareholders if disaster struck. In these instances such as Allied Lyons' £150m loss in

1991, when a treasury official wrote uncovered currency options - the focus tended to be on the cause of the short-term hit, usually speculation or inadequate management controls.

However, more attention is now being paid to the broader implications of a company's policy on cur-rency risk management. The volathere should be better qualitative, if not quantitative, information on

to the importance of currency hedg-ing in analysing an international company'a performance prospects. For example, Credit Lyonnais Laing recently published a ground-breaking piece of research on the UK drinks industry entitled "Currency hedging in the drinks sector' which provides an unusually detailed examination of the practices of companies like Grand Metropolitan, Guinness and Bass.

dealing with their exposure.

She notes that in general, "too much attention is paid to the exposure of companies to currency movements as reported in their accounts, and too little to tha

UNTIL recently, the positions of companies under vari-

ous exchange rate scenarios". There are three types of currency exposure: transaction axposure, which is the exposure to exchange rate movements between a sale and its settlement; translation exposure, which relates to the effects of currency movements on a company's accounts when reported in the home currency, and is held to be of significance only for accounting purposes; and economic exposure which describes the extent to which the present value of expected future

cash flows changes with currencies. Ms Bower argues that companies tend to concentrate too little on the third of the these categories. "[Eco-nomic exposure] is a true exposure which managements should he seeking to optimise through a financial management programme that complements their long-term strate-

gic planning process."

She makes the important point thet hedging can be financial or stratagic. For example, Japan's Nikka Whisky Distilling Company bought a large Scottish distillery in 1989, reducing the operating risk of heing dependent on exported whisky from Scotland for its own Japanese blended whiskies by hedging its long-term economic exposure to the sterling/yen exchange rate through an investment in the home market of its suppliers.

Undoubtedly, the pressure on companies to provide better information is increasing. Last year, Mr Hugh Jenkins, chief executive of Prudential Portfolio Managers. described information given by most companies as "minimal" even though the Report and Accounts is the correct medium for disclosure.

Most senior managers claim they

are anti-speculation, yet they follow selective hedging policies designed to protect against anticipated adverse currency movements. Yet in practice it is often the case that hedging is only useful in protecting the company against unexpected

The consequence for investors is uncertainty. If a fund manager buys a UK stock because he thinks the company will benefit from increased US earnings, he needs to know if the dollar exposure of that company is hedged. At present, he is often in the dark.

Tracy Corrigan

Borrower	Amount m.	Maturity	Coupon %	Price	Yleid %	Launch spread bp	Book runner	Borrower	Amount In.	Maturity	Coupon %	Price	Yield %	Launch spread bp	Book runner
US DOLLARS								CANADIAN DOLLARS							
Waldta & Co.(e) ф Eidenshe Co.(b) ф General Electric Cepital Corp. Petrobres Grupo Situr	100 60 250 200 100	Sep.1997 Sep.1997 Sep.1996 Sep.1996 Sep.1996	1.25 1.25 4.25 7.58 6.750	100 100 99.89R 99.947R 99.762R	7.520		Wako Intl. (Europe) Nomura International UBS) Beer Steams Intl.) Lazard Frères	Province of British Columbia City of Quebec, Tranche A City of Quebec, Tranche & ITALIAN LIRA	400 35 21	Sep.2005 Oct.1998 Oct.2003	7.25 6.875 7.625	98.8R 102.05 101.95	7.404 6.383 7.343	+50 (71/2%-03)	ScottaMcLeod Bil., Linembourg Bil., Linembourg
Hemarai Land & Devimentini§ Crédit Local de France Crédit Lyonnaist: Banque Indosuezt: BNL (FK Branch)t: Beloob Overseast:	60 300 150 100 100	Sep.2003 Oct.1996 Sep.2005 Oct.2003 Sep.1997	3.5 4.25 0) 0	100 99.55R 99.75R 99.75R 100R 100R		+18 (4%%-96)	Jardine Fleming	Rabobank Nederland KfW Intl. Finance; Crédit Local de France; HONG KONG DOLLARS	500bn 150bn 150bn	Oct.2003 Sep. 1998 Dec. 1996	zaro (p) (v)	46.426 100.6R 100.375	7.975	÷	IMI Bank Luxembourg Banca Comerciale Italiana Credito Italiano
Goldmen Sachs Groupt MDX Public Co.(x)§ D-MARKS	125 60	Oct.2005 Sep.2003	(s) (4%-5)	99.75R 100	:	:	Goldman Seche Intl. Nomura International	International Finance Corp.; SWISS FRANCS	500	Oct.2000	(a)	100.4	•	-	Société Générale Asia
Depte Finance Deutsche Bau & Bodenbenk(c) Frankfurter Hypobenkt SGZ(t) STERLING	1,5bn 200 100 150	Sep.2003 Sep.2003 Oct.2003 Oct.2003	6.375 6.375 (d) 6.25	99.7R 101.65 100 102	6.417	+24 (61/4%-03)	Dresdner/Morgen Stanley Trinkaus & Burkhardt Trinkaus & Burkhardt Trinkaus & Burkhardt	Verbund, Austira Rabobank Nederland(e)* Norddeutsche (LB(f)* Bremer Landesbenk(g)* Eropäische Hypobank(f)* Art Life Co.kv)* §	250 150 115 100 100 45	Oct.2005 Oct.2000 Oct.2000 Oct.1998 Oct.2000 Dec.1997	4.5 2.5 2.25 2.75 2.75 0.25#	102.5 100 100 100 100 100	4.230	i	Bank von Ernst & Cie Swiss Benk Corp. Swiss Benk Corp. UBS UBS Niido Bank (Switz.)
trish Permanent B/S; FRENCH FRANCS	100	Oct.1998	(1)	99,688	•		UBS	Final terms and non-callable unless placement. §Convertible. ♦With equi Exercise price: Y2194, FIC 105.2YA.	stated. The yi by warrants. : b) Denom.: \$1	eld aprend (o Floeting rate 10,000 + 2 wa	note. #Semi	government lennual cou the price: Y	1363. FX: 1	ed re-offer price. 105.2Y/S. c) Conve	ty the lead manager. #Private e) Denom: \$6,000 + 1 warrant witcle on 24/9/97 or 24/9/98 into
RATP Region D'île de France Crédit Local de France SNCF(m) Soc. Gén. Acceptancet: YEN	2.5bn 600 1,5bn 1bn 500	Sep.2003 Sep.2000 Sep.2005 Sep.2013 Dec.2003	6 6 6.25 6.75 (n)	97.825R 99.55R 96.26R 98.72R 99.4R	6.081 6.460	+22 (8½%-00) +22 (8½%-04)	Société Générale Banque Paribes Crédit Lyonnals Société Générale Société Générale	Fifth with coupon of 6-month Liber - thereofers, of bornon; \$8760,000 + \$2560,000 + \$203 3-year wermals, 4 entities holder to a CS Holding bearing to 140% mile, from \$7800 at accrete 5%, § Coupon pays 6-month Liber - Liber + 0.3%, mile sous basected on 1.75 x 3-month Pitor libersettes, o) \$1 for fact 2 years and 7% thead quanties.	176 3-year w warrants entitioned at SF12, d value to yie 0.1875%; m 19/8/93 was i hort, 1st and 2 y thereafter, f	errents. Each lee holder to a 950. h) Conwid 8.4% and intruen 5.76% increased to led coupons. Denom: SP	werrant en Beyer eten breker price: from 9/9/99 6, mestmum FF48br. of C p) Coupon p r50,000 + 18	ittles holder e at DM300 Beht186, F) at per, § Co 1096, kj Co oupon pays eys 3-montil 0 2-year wa	to a Roya 37, g) Den C 25.2Baht oupon paye oupon paye 17% on m h Libor - 0. arrants, 5 v	il Dutch Petroleum om.: 87:50,000 + 75. Puttable on 9/5 0 G-month Libor + 19-nonth Libor + 19-noy murket box 5 2/6. q) Coupon pr ngrants anattic hot	is shere at F168.45, i) Descrip. 65 2-year warranto, 10 warranto 1/98 at 116.5%. Callable, subject 0.25%; shinkrum 65%, madrison 0.2%, i) Coupon pays 3-month for first 8 months and 15.3% - sys 13.76% - 2 3-month Hibo der to 1 share in each of Bayer.
Export-Import Bank of Japan Republic of Austria Itochu International(o) Obayashi Finance Intl.(Neths.)‡	75bn 60bn 10bn 10bn	Oct.2003 Sep.2005 Mar.1997 Sep.1996	4,375 4.5 3.75 (u)	99.73FI 100FI 100.425FI 100.225	4.409 4.500	+25 (4½ %- 03)	Nomura International Yamalchi Intl. (Europe) Merriti Lynch Intl. Senwa International	BASF and Hoachet et DABHSS, a) C paying 5-month Libor - 0.05%, t) Co 92, Callable on 37/12/95 at 702% tremi-arraysty, t) Flating 9/4/99, indice Note: Yields are calculated on ISMA	open page 3- declining by stad conversion	month Liber (0.275%. V	Coupon pe	of to 1505	Libor - 0.25%, 5 6 nule, on 30/6/9	thort 1st coupon, w) Fixing: 8/8/ 4 at 101,75% deciking 0,25%

This announcement appears as a matter of record only.

BARIVEN, S.A.



\$230,000,000

Trade Finance Facility

PETROLEOS DE VENEZUELA, S.A.



The Chase Manhattan Bank, N.A.

The Chase Manhattan Bank, N.A. ABN AMRO Bank, N.V. Dresdner Bank Group Generale Bank S.A. /N.V.

Banque Française du Commerce Exterieur Royal Bank of Canada

> Co-Lead Managers: Corporacion Andina de Fomento-CAF

Bayerische Vereinsbank AG, New York Branch (Union Bank of Bavaria) Creditanstalt-Bankverein National Bank of Kuwait, S.A.K. Vereins- und Westbank AG

> Banca CRT S.p.A. - New York Branch Bank Brussels Lambert The First National Bank of Chicago

The Chase Manhattan Bank, N.A.

CHASE

This announcement appears as a matter of record only.



IRSA Inversiones y Representaciones S.A.

International Offering

of

1,500,471 Global Depositary Shares Each Representing Ten Shares of Common Stock

(par value Pesos 1 per share)

US\$16.83 per GDS

Baring Brothers & Co., Limited

Arnhold & S. Bleichroeder, Inc. Merrill Lynch International, Limited



July, 1993

US MONEY AND CREDIT

Wall St divided on strength of rally |US events give food for thought

THE US credit market reached a historic landmark on Friday when the yield on the benchmark 30-year Treasury issue fell below 6 per cent for the first time in its 16-year life. But, amid the celebrating, Wall Street Cassandras were quick to wonder how soon the remarkable bond market rally of the past faw months might go into sharp reverse.

The factor which finally took the long hond through 6 per cent was a surprisingly poor unemployment report for August on Friday morning, which suggested at first glance that the economy was growing more weakly than expected.

By the close of trading, the issue was showing a yield of 5.94 per cent, down from 6.14 per cent a week earlier. The rest of the yield curve also dipped by 20-22 hasts points, with the 10-year note ending the week at 5.28 per cent. With US interest rates at

their lowest to 25 years, investors face a dilemma: is the bond rally of the past six

weeks a sign of a seriously overheated market, which is bound to end in a sharp correction and an unward turn in the interest rate cycle? In short, is the bond market rally about to peak out?

Or does the rally mean the

market is entering a new trading range, reflecting an economy facing a prolonged period of low growth and low inflation, and that this could push interest rates down even further, back to the level of the 1960s? Wall Street is divided. Few analysts forecast the long bond would breach 6 per cent. yet after the event many argue that the hull rally remains relatively secure, though it is bound to suffer short-term corrections. A minority, however, warn that the market is seri-

ously overbought. The main factors behind the rally provide ammunition for both camps. First many statistics suggest US economic President Bill Clinton's tax increases and healthcare

reforms could further retard only statistic of note to be expansion.

However, last week the government revised its estimate of second-quarter GDP growth up to 1.8 per cent, compared to the 1.6 per cent initially reported. And August's employment statistics were not nearly as bad as the headline figures would suggest. Businesses may not be hiring new workers, yet hours worked are rising at a respect-

able 2.5 per cent annual rate. Coincidentally, the surprisingly poor August figures came exactly a year after very similar statistics prompted the Federal Reserve into its last easing move, and soma of Friday's bond rally may have stemmed from hopes of a repeat performance hy the central bank. Yet the Fed seems unlikely to change a rates regime which, hy underscoring its anti-inflation hawkishness, has been a powerful contributor to the

current rally. any significant inflationary clouds on the horizon. The

released this week will be Friday's producer price index for August. The overall PPI may show the first rise in four months, but the increase is expected to he modest, at around 0.2 to 0.3 per cent.

Apart from economic fundamentals, market forces driving the bond market rally have included the Clinton administration's reduction in the supply of 30-year bonds, and heavy demand from both banks, taking advantage of the steep yield curve, and mutual fund investors seeking higher returns. Flows of cash into bond funds jumped 22 per cent

in July to a record \$13bn. There are no immediate signs of this tide turning, yet mutual fund investors could prove volatile if a run of adverse economic statistics suggests the market is peaking out. Any correction - be it the turn of the interest rate cycle or not - could prove nasty.

Martin Dickson

Snowballing debt keeps yields above 7%

IN the European bond market rush for the pot of gold, Belgium has been left at the back of the queue. While its EC partners have seen phenomenal rallies in the past few months the Belgian hond market has

A league table of international deht markets monitored hy J. P. Morgan sbows Belgium as the worst performer in August providing a return of only 0.61 per cent in local currency terms - for the same period Italy's return rose 5.54 per cent

Then, late last week, when many were beginning to consider that Belgian deht prices had been left too far behind, the central bank announced it was raising central interest rates from 9.5 per cent to 10.5 per cent. The news sent bond prices plunging by up to two percentage points for some maturities. A wave of selling pushed the yield on 10-year bonds back up to 7.3 per cent against 7 per cent in July.

On Friday, prices continued to fall and yields to rise, widening the gap with German bund

returns to some 115 basia the crisis is likely to involve points as the market factored in a slide in the Belgian franc to BFr23 against the D-Mark. Some analysts believe there will be no pick-up until early November and then only if wages are frozen under the social pact to be thrashed out at the end of the month.

Belgium's problems are

encapsulated in its soaring public deht, which stood at around 116 per cent to GNP last year, the highest in tha OECD. Ms Jane Edwards, economist with Lehman Brothers, says the recession and the central bank's determination to maintain high rates to protect the currency's parity with the D-Mark are leading to snowballing debt, a situation where debt spirals because high debt means high interest rates which lead to more deht. She says interest payments on public debt were close to BFr800bn last year and are unlikely to fall this year or next.

Ms Edwards argues that Belgian bonds will be attractive once a wage agreement is reached. But any solution to

lower short-term rates which will also weaken the currency, so overseas buyers would have to hedge against currency falls.

A more optimistic case is put

hy Bear Stearns, the US securities house, which has taken the widening spread between Belgian and German 10-year paper as a pointer to the prospective valua and recommends a switch from hunds to Belgian paper.

Mr Craig Shute, an economist with Bear Stearns, claims: "Domestic considerations point to lower short-term rates by the end of the year, even if it means hreaking the franc/ mark tie." Mr Shute published his research shortly before last Thursday's plunge and when the bund/Belgian bond spread was around 85 basis points.

Whether his enthusiasm is justified depends on whether Belgium is prepared to unshackle its monetary policy from that of Germany, where unification has led to relatively high inflation that has to be fought by a tight monetary pol-

As with Denmark, Belgium fears that a decoupling of monetary policy from Germany would reveal fundamental economic problems that could be ignored when the European monatary union project was

But since the widening of the European exchange rate mechanism divergence margins from 2.25 per cent to 15 per cent the German link has looked increasingly spurious. Two weeks ago, a group of 14 Flemish economists called for monetary policy to be relaxed. They said that continuing to tie the Belgian franc to the D-Mark - a policy pursued since 1990 - would damage industry and employment prospects and was no longer an acceptable option.

Late on Friday, speculation that the Belgian franc's tight link to the D-mark would be dropped as well as news that the state budget deficit rose to BFr76.9hn in August left shortand long-term debt markets

Peter John

amount of scepticism in the UK that long-dated gilt yields already at post war lows have much further to fall. But events in the US on Friday may have given the sceptics food for thought.

The publication of exceptionally poor unemployment figures sent long-bond yields to historically low levels. As Treasury dealers mulled the growing belief that a hesitant recovery means inflation will be held at bay, yields sank to below 6 per cent.

Although there is no guaran. tee that the UK recovery will mirror that of the US indellnitely, there has been a fairly strong correlation so far.

The implication for gilts dealers of Friday's news is that in a year from now, the UK recovery will he as cautious and non-inflationary as the US pick-up is proving to be, some two years into its recovary. Such news has to be good for

But a glance at the latest round-up of City forecasts shows that analysts are far from agreed on the future course of inflation. Forecasts for growth in the retail prices index for 1994 currently range from 2.5 per cent to as high as

The UK government bond market appeared to enter a consolidation phase last week. with prices little changed on the week.

However, given lingering

LLS, DOLLAR STRABETTS
AID Ind Fin 6-19 95
Airlory Neil Treesury 6-2 03
Airlord New 88 7-9 23
Altera Province 8-7-9 95
Altera Province 8-7-9 95
Altera Province 9-19 95
Altera Province 9-19 95
Altera Province 9-19 95
Altera Province 9-19 95
American General 9-19 95
American General 9-19 95
American Ind 0-04
American General 9-19 95
Action 19-8
Action 19-

THERE HAS been a certain concerns about the future course of inflation based on the short-track record of recent improvements, the big question for dealers is where will the market head next. Have long yields dropped as far as they can, or do they, as in the

US, have further to go? On Friday, yields were virtually unchanged on the week, in spite of a fairly busy week's

The yield on the 7% per cent Treasury hond maturing in 1998 was 6.31 per cent, compared with 6.30 per cent on the previous Friday's close. Further out, the 15-year 9 per cent bond yield closed at 7.22 per cent compared with 7.24 per cent a week earlier. The yield on the 8% per cent Treasury bond maturing 2017 was virtually unchanged at 7.22 per

Although the spread of forecasts for inflation is wide, most economists do not expect the RPI, excluding mortgage interest payments, to hreach the npper limit of the government's 1 per cent to 4 per cent target range in 1994. Even those who were pessimistic at the beginning of the year are revising their forecasts downwards.

"Earlier this year we were gloomier about inflation than we are now," said Mr Keith Skeoch, chief economist at James Capel. "But the rebound that we were expecting from food retailers did not happen

and service sector inflation

UK gifts yield Restated at par (%) 7.0 Aug 27, 1993 6.2 ****

> 20 Aesta. has also come down sharply." Analysts also appear to be drawing comfort from the very apparent commitment of Mr Eddie George, the new governor of the Bank of England, to holding down inflation. Last week, Mr George told the Securities and investment Review

"The danger is that it accelerates in an uncontrollable way to hecome quite a lot of inflation," he said.

that it was unacceptable to

accept even a littla bit of infla-

There are even suggestions that the UK's notorious attachment to inflation is being hroken at a more fundamental

"While the current low level of inflation is largely a consequence of the recession, a low inflation psychology is develop ing in the UK and a policy

98.87 +0.01 98.87 +0.01 98.82 +0.10 98.95 +0.10 99.46 +0.97 99.46 +0.97 99.83 +0.01 99.83 +0.01 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03 99.83 +0.03

Service Parect 71s 08. Finled 74s 98. General Motor Fin 812 97. February 75s 100. February 75

FT/ISMA INTERNATIONAL BOND SERVICE

framework now exists to manage it. So a low inflation recovery is possible," says Mr Simon Briscoe, economist at SG Warburg Securities.

Brave words indeed. If so, gilts may yet go on to perform as well as their US counterparts. However, even those who are most bullish about prospects for inflation would perhaps like to see just a little hit more evidence that it has been stifled before another

rally in gilts can take off. Money supply figures from the Bank of England on Friday showed that overseas enthusiasm for gilts has been going from strength to strength.

The Bank sold a record £1.9bn of gilts to foreign investors in July, following sales of £1.1bn in June. The record July sales came in a month that saw yields drop hy 75 basis points.

The August M0 figure contained little to worry the gilts market. Narrow money grew by 5.2 per cent in the year August, which was slightly lower than expectations of 5.4 per cent.

The figure, which pointed to a steady recovery in consumer apending, was anyway inflated hy a hig increase in the annual rate of hankers operational deposits, which comprises a small part of M0. These are more influenced by conditions in the money markets than by economic activity.

Emma Tucker

1000 300 500

115

44

اژ. ډنر

Notice, for information only, to the Bondholders of SCA CAPITAL CORPORATION B.V. ECU 101,000.000

41/2 PER CENT. GUARANTEED CONVERTIBLE BONDS (THE "BONDS") GUARANTEED ON A SUBORDINATED BASIS BY, AND CONVERTIBLE. INTO NON-RESTRICTED CLASS B SHARES OF, SVENSKA CELLULOSA AKTIEBOLAGET SCA

(THE "COMPANY") NOTICE TO BONDHOLDERS The Board of Directors of Svenska Cellulosa Akoebolager SCA (the "Company") have on August 27, 1993 decided to increase the Share Capital of the Company through a Rights Issoe of Shares with a preferential right for the shareholders to subscribe for the New Shares. The decision is subject to the approval of an Extraordinary General Meeting of the Shareholders of the Company to be held on

The shareholders are entirled to subscribe for one New Share for each ten shares held at a price of SEK 80 per share. Shares of Class A carry the right to subscribe for shares of Class A or Class B and shares of Class B carry the right to subscribe for shares of Class B.

The Record Date at VPC, the Swedish Share Register Center, for the strength of the shareholder with the strength of the stren determining those shareholders entitled to subscribe for the New Shares is the close of business in Stockholm on September 28, 1993, Subscription for the New Shares shall be effected by payment between October 4, 1993 and the close of business in Stockholm on October 37, 1993.

Conversion of Bonds must be effective, as defined in Condition 5(c) of the Bonds, on September 17, 1993 at the latest to entitle Shares issued upon such Conversion the right to participate in the Rights

The Offer to subscribe for New Shares constitutes a Closed Period pursuant to Clause 9 (B) (4) (i) of the Trust Deed dated 17th January, 1989, commencing on September 18, 1993 and ending on the close of business in Stockholm on September 28, 1993. An adjustment if any) of the Conversion Price will be effective as from November 1, 1993 but with retroactive effect as from

> Stockholm in September 1993 SVENSKA CELLULOSA AKTIEBOLAGET SCA The Board of Directors



This notice does not constitute an invitation or offer for the sale of any securities in Svenska Cellulosa Akticholaget SCA.

Mark Zurack or Berbare Mueller

Goldman, Sechs & Co.

85 Wall Street,

Naw York,

New York 10004.

U,\$.A. (212-902-6777).

Notice

Notice, for information only to sharcholders of Svenska Cellulosa Aktiebolaget SCA

Notice of share issue decision pursuant to Chap. 4 § 7 of the Swedish Companies Act

At a meeting of the Board of Directors of Svenska Cellulosa Aktie-bolaget SCA held on August 27, 1993 it was decided - conditional upon the approval of a General Meeting of Shareholders - that the Company's share capital shall be increased by a maximum of SEK 185,321,730 through the new issue of not more than 5,838,227 Series A shares and 18,532,173 Series B shares, however, in a maximum not to exceed an aggregate of 18,532,173 Series A and Series B shares combined, each with a par value of SEK 10, in accordance

with mainly the following terms.

The Company's shareholders have preferential rights to subscribe for one new share for each full multiple of ten old shares held, whereby old "A" shares carry rights to subscribe for "A" or "B" shares, as decided by the shareholder, and old "B" shares carry rights to subscribe for new "B" shares.

The issue price is set at SEK 80 for each new share. The record date for the new issue shall be September 28, 1993. Subscription shall be effected through payment during the period Octobet 4 - 27, 1993. Proceeds accruing to the Company as a result of the new issue may amount to a maximum of SEK 1,482,573,840.

Excess subscription rights, in a number that is not sufficient to subscribe for one full new share, will be sold centrally in the market, for the account of the shareholder. In order for holders of debt certificates linked to the Company's 1987/95, 1990/2000 and 1989/2004 subordinated convertible bond loans to be entitled to participate in the tights issue with shares arising through conversion, such conversion shall have been effected not later than September 17, 1993.

The decision documentation is available at the offices of SCA. Stureplan 3, Box 7827, \$-103 97 Stockholm, Sweden.

Board of Directors



This public notice does not constitute an invitation or offer for the sale of any securities in Svenska Cellulosa Aktiebolaget SCA,

INDEX CONSTITUENTS

LISTS OF the constituent stocks of the FT-SE Actuaries Share Indices series and other FT indices are

available at no charge from The Manager, FT Statistics, One Southwark Bridge, London SE1 9HL.

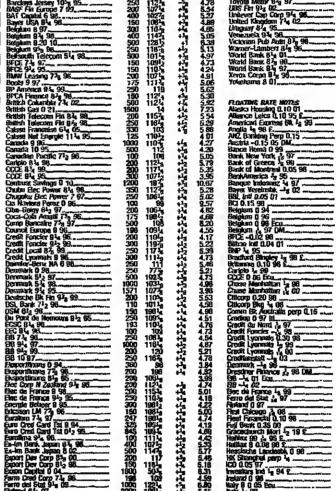
Symon Bradford,

NatWest Securities Ltd.,

Kintore House,

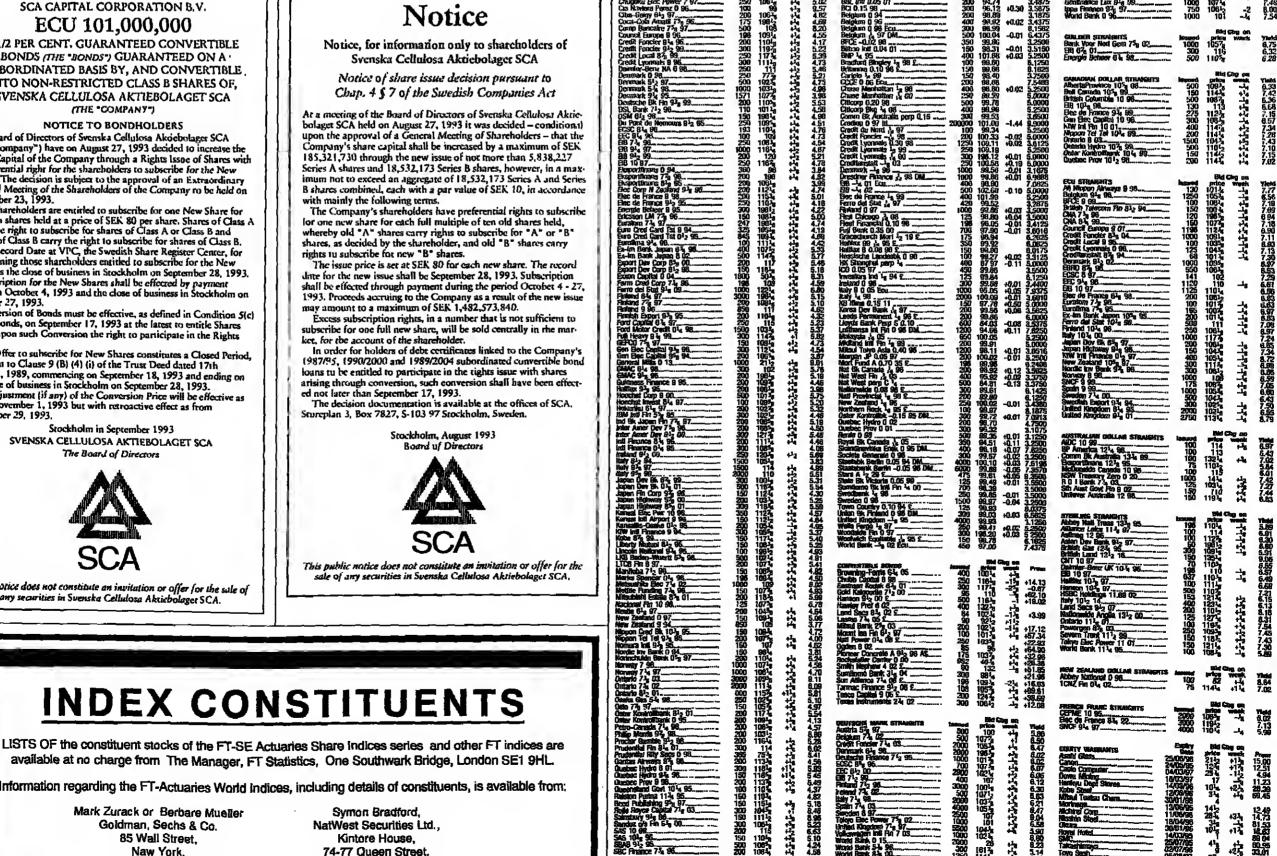
74-77 Queen Street, Edinhurgh EH2 4NS

(031-225-8525)



7186 6.507 6.607 6 4

STRANGET BONDS:Yield to redemption of the bid-price. Amount issued is expressed in millions of currency units.
PLOATING RATE NOTESIUS dollars unless indicated, Margin above sis-month offered into for US dollars. C.con-current coupon.
CONVERTIBLE BONDSLIS Dollars unless indicated. Prem-percentage premium of the current effective price of buying shares vis the bond of WARRANTS-Equity warrant prem-exercise premium over current steries price. Bond warrant or yid-coarcise yield at current womant price.



The second secon

Indeed II so

 $\underline{1} = \log_{\frac{1}{2}\log_{\frac{1}{2}}}$

150 13

INC. Property

that is a second

20.00

The second secon

And the second

All Control of the Co

100

ائد دو المرا المرا المرا

The state of the s

Triallon about

Take a mag

Section 1

Figures Ing

on Inda

-com Ma

conth the

5 7 5 tase

State to

-- i tie lie

3 Miss

Connet En

The chair

a. wasane

the annual

than b

Emma Tucka

٠. .

J. 374

... 15 W 4

*

There are consume

100 Table

the ga

21-1282F

tion, edine

Teconi

The state of

say Mr Small say Mr Small says to man SEPTEMBER 12-14 Infomercial Teleshopping '93; Europe and North America

Working Together The National Infunction Marketing Association (NIMA) tugether with Advertising Age International will present dag Age International will present n conference introducing scalor North American and European executives from the infomercial, icleshopping and marketing todustries to discuss the inture of teleshopping. of teleshopping. Contact: Vivien Wallace, Lippin Wallace 071 630 5520

LONDON SEPTEMBER 13 Critical Technologies for Europe: The 4th European Community Framework

Programme for Research and

Development. Convened by The RIIA and PREST (Programtoe of Polley Research in Engineering Science and Technology). Enquiries: RUA Conferences, The Royal institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LP. Tel: 071 957 5700; Pax: 071 957 5710

LONDON SEPTEMBER 13/14 **Unit Trust Administratio** A complete review of Unit Tract Administration and Operations including background Prieing and Dealing, Distribution, Reporting, Registration and Confidention. Ideal for supervisors, staff and managers needing a detailed review, Course repeated regularly. Contact: Investment Education ple

Tel: 061-833 9656 Fax:061-834 8050 LONDON

SEPTEMBER 13/15 Investment Markets Briefing Complete briefing on stockmarkets, bone markets, futures and options, institutional and portfolio investment. For IT executives, accommonte, solleilars or with securities companies, but lacking detailed knowledge.
Contact: Investment Education plc
Tel: 061-833 9656 Fax:061-834 8050

SEPTEMBER 14 The Future of European Securities Trading

Major conference to examine the issue arising from the integration of European Secarities Markets. Speakers include Chairman of the London, Parin, Amsterdam, Frankfurt and Luxemboar Stock Eachanges; and sonio representatives form Marcury Asset Management and Lombard Odies Contact: Alisor Elgar, Dow Jones Telerale Tel: 071 832 9332 Fax: 071 353 2791 LONDON

SEPTEMBER 14 UK Cable, Telephony and Finance

in-depth conference on opportanties, competitive factors, economics and marketing to the UK cable and telephony lustry. Areas to be covered: Leverage in finance build, system cansolidation, tetenms tiberatisation, tesidential and business telephony. orld Media. Lad. Tel: 071-371 8880 Fax: 071-371 8715

LONDON

SEPTEMBER 15 European Media & Communications: Deals and

A major conference examining the finnacial trends and deal strectures faciliag the growth in Europe's media. colortaiomost and communications industries. Cavering: Fluanco across Europe, public markets, M&A structures, financing ctart-ups and new madia tecnoologies. Contact: Kagan World Media, Ltd Tel: 071-371 8880 Fax: 071-371 8715

LONDON SEPTEMBER 15 Foreign Exchange Provides an excellent and comprehensive understanding as to how foreign exchang markers work, the use and calculations involved, etc. Course repeated in various Tel: 061-833 9656 Fax:061-834 8050

CONFERENCES

LONDON

PROGRESS THROUGH PARTNERSHIP A Conference on the Dependent Territories

Keynote speaker; The Rt. Hon. Douglas Hard, CBE, MP

Chairman:

John Simpson

Affairs Editor

400

CBE, Foreign

···· BBC

Wednesday 24

The Oncen

Centre

current status of Europe's dependent territories, examining the relativnehic between them and their sovereign countries and identifying the opportunities for growth

If you do business or have an interest in territories or countries which are dependent in any way on European countries, you should be at this confe

Confirmed speakers include The Hon. Joe Continued speakers measured libraitar, The Bossario, Chief Minister, Gibraitar, The Hon. Sir John Swann, Premier of Bermude, The RI. Hon. Lord Young of Graffham, Chairman of Cable & Wirek Hon. Thomas Jefferson, OBE, Member of the Executive Council of the Cayman Islands, and a Member of the Executive Council of the Falkland Islands.

November 1993 If you would like to attend, exhibit or take advantage of sponsorship opportunities Elizabeth II call: +44 (0)71 498 3719 or write to: Conference The Dependent Territories Conference Priory Hause, & Battersee Perk Read,

> Dependent Territories Conference 1 91HER

FT EXPORTER



Export your conferences to Europe's Business **Decision Makers!**

> Launched in June 1993 FT Exporter has established itself as Europe's foremost export review.

The second issue will appear on 13th October 1993, giving you the opportunity to reach

a new relevant marketplace for your conferences. EXPAND YOUR AUDIENCE

THROUGH THE FT EXPORTER. For further details and advertising rates contact:

<u>Alison Prin</u> Tel: [+44 71] 873 3580 Fax: [+44 71] 873 3098 SEPTEMBER 17 Marketing & Sponsoring

Minority Sports A one day practical briefing on what to look for, what price in pay and how to puckage and haild ap the ventare. Sabjects: rights ownership, spotts and media, interview techniques and the incidence of satellite/cable TV. Enquiries: Sports Solutions, PO Box 72,

Exchingham TN19 7SS Fax: (London) 071 490 8788

SEPTEMBER 20

Pay and Performance 1993/94 First of CBI/Emst & Young seminars (12 presentations throughout UK to follow senting details of latest labour market costs and development supported by case Contact: Karen Acton

Tel: 071 379 7400

Fax: 071 497 3646

LONDON

SEPTEMBER 24 - OCTOBER 12 Serving the Customer: Is Information Technology a

Bridge or a Barrier. One day interactive workshops: exploring the concept of "Integrated Customer Care" and the challengee it presents for Marketing and information Technology Cost: £250.00 + VAT per delegate

Avanti Consultancy Services Ltd Tel: 081 947 8680 Fax: 061 947 8478

SEPTEMBER 22 **Bonds and Fixed Interest** Markets - An Overview Provides a compre major bond and fixed interest markets their instruments and workings. Course repeated in Gerrascy, Lexembourg etc. Contact: Investment Bancation ple Tel: 061-833 9656

LONDON

LONDON

SEPTEMBER 22 **Overseas Property**

Fax:061-834 8050

Ernst & Young's afterpoon seminar on the tax ennsidurations of nwnlag and/or Young's office in London EC4. Contact: Sue Griffiths **ERNST & YOUNG** Tel: 071 931 2618

LONDON

SEPTEMBER 23 Information Technology for LHIBNAS Showing Utilities how to link IT across all performance whilst antisfylog staff,

Speakers from: Thames Weter. SWEB, Severn Trent, Manweb, IBM, National Utilities. ICOM Conferences: 0226 299072

LONDON

SEPTEMBER 23-26 The Guardian Education & Jobs Fair The UK's most definitive careers and

edaçativa show locladiog comprehensive neminars programme. Over 140 nalversities and higher education colleges will be exhibiti promoting a large range of courses at all

Enquiries Fran Foster . Centre Exhibitions Tel: 021 780 4141 BIRMINGHAM

SEPTEMBER 27-30 FIRE '93

The national conference and exhibition for the whole fire protection profession. The Scottish Exhibition & Conferen Centre, Glasgow. For Free exhibition admission tickets tact Jane Malcolm-Coc, FMJ International Publications Ltd.

Fax: (0737) 761685 GLASGOW SEPTEMBER 27

Corporate Actions including Rights, Scrips, conversions interests and dividend payments, et Essential for all those working with securities and invest Fax:061-834 8050

LONDON SEPTEMBER 27 Regulation and Compliance:

The SFA Rules A complete review of all SFA rules for all those responsible, whether Compliance Officer, or a Director, Banker or Broker responsible for Regulation and Compliance adherence. Includes Conduct of Business, Client money etc., etc.
Contact: Investment Education pic Tel: 061-833 9656 Fax:061-834 8050 LONDON

SEPTEMBER 27 Working for your Health

CBI/BUPA Conference considere the benefits and challenges for companies to ing steps to improve employees' health. Rt Hon Virginia Bottomley will outline the Governments approach in health in the Contact: Nicky Martin (TRI Conferences

Tel: 071 379 7400 Page 071 497 3646

LONDON

SEPTEMBER 28-29 FURNACES 93 xhibition and Confere The event for thormal processing

St. John's Swallow Hotel, Solihuil, West Midlands, England. For free exhibition admission lickets contact Lorreiso Rogers, PMJ terrational Publications Ltd. Tel: (0737) 768611 Fax: (0737) 761685

SEPTEMBER 28/29 **Global Custody**

A practical overview of the many aperations involved in Global Custody including Stock Borrowing and Lending. Essential for all those working with securities and investments

Contact: Investment Relucation ele Tel: 061-833 9656 Fax:061-834 8050 LONDON

SEPTEMBER 29 LONDON

CROYDON - The Future Majns Cunference on economic development. Asheroft Theatre, Fairfield Halls, Craydon, Speakers on transport, Including: Sir Jaha Harvey-Jones, Hon Rhisanon Chapman, Staart Lipton. Conference Fee: £65.00 Tel; 081-760 5729 Fax: 081-760 5655 CROYDON

SEPTEMBER 29 & 30 Managing Business Regula Effectively

A two-day conference for directors and scalar managers, locussing us risks associated with various company ompliance issues and how to mai them successfully. Chairman: The Rt. 11na. Lord Donaldson of Lymingma, Chairman of the Financial Law Panel. Contact: Patricla Sheldon, Gee Conferen LONDON

SEPT 29/30 & OCT 1 The Health of Nations 1993 Health of Natione: Demand, Cost & Efficiency co policy issues and impact co providers, suppliers and investors, James on, Rolf Krebs and Lady Cumberlege address this interestional conference sponsored by The Wall Street Journal Burope, medical, pharmaceutical, health lies, consulta rmation: Cityforum Ltd Tel: 0225-466744

EDINRURCH

SEPT 30 & DEC 17 Benchmarking - Organisational Performance & Improvement lead by the authors of the Pinancial Times

ness Series book on Benchr Contact: Sulli Bendell, Services Ltd. Tel: 0602 455285 Fax: 0602 817137

BIRMINGHAM & LONDON

OCTOBER Invest in your evenings
Loadan Businese School's long-

established finance evening programmes for experienced managers and finance rofessionala start in October. The orpotate Finance and Investment Management programmes regalre nce on one evening per week and the Masters Degree in Finance requires two years of part-time study. For details, call Janet Dobson on 071-262 5050 or fax; 071-724 3317

OCTOBER 4-5 & 6-7 Total Quality Management

The Right Way to ManageC William E Conway Bill Conway, the first Western CEO to implement the Deming philosophy in the West, will present his Right Way To par. People of all levels can learn from his knowledge and lare

philosophy into practice.

Mike Gallimore & Associates Ltd. Tel: (0621) 858058 Faut (0621) 850972

OCTOBER 4 -

NOVEMBER 22 FT - City Course The objective of the course is to provide an auderstanding of all aspects of the operations of the Cby and the factors that make II a pre-eminent financial and trading centre. Requiries: Financial Times Tel: 071-814 9770

Pax: 071-873 3975/3969 LONDON

OCTOBER 5 **Business Process** Management 86 Park Lane, Mayfair, London Update yourself with this radical approach

Contact: Evanna Morris. CIMA Ma Tel: 071 917 9244 Pax; 071 580 6991

OCTOBER 5-6 The Frieghtconnection Conference & Exhibition '93 A conference examining transport reforms and apportunities affecting road &

relifreight movements in Barope.
Covering cambined transport, road
charging, relifreight privilisation, channel
tunnel developments. Speakers include Roger Freeman MP, Sir Alastair Morton. Gracme Duniop. Contact: Jain Dale, Pauc 071 730 0460

MANCHESTER

OCTOBER 6 The Role of the Company Secretary

Covers Garden, London Are you fulfilling year maintory obligations? This course will give you practical up-to-date knowledge of current companies legislation. ace: Evanna Morris, CIMA Masteron Tel: 071 917 9244 Parc 071 580 6991

LONDON

OCTOBER 6/7 Introduction to Options Course Parts 1 & 2 Day 1: Basic Termicology, Option

Pricing, Trading & Hedging Strategies, Day 2: Yolatility, Advanced Trading ategies, Portfolio Management Yenne: Cambridge Science Park, CAMBRIDGE. £345 (1 day only), £595 (both days) Contact: Kathy Page, Brady Financial

CAMBRIDGE

OCTOBER 11 OCTOBER 19-21 Processing and Packaging Corporation Tax Update Machinery Association:

Portland Thistle Hotel, Manchester Yout company pays tax - what do you PPMA Show An exhibition dedicated entirely to know about it? This course is designed for the non-specialist who requires a working knowledge of the main features of UK machinery for those who process and package food, pharmaceuticals, cosmetics, chemicals, beverages, DIY goods etc. Ouer 400 major machinery ma

act: Evanna Morria, CIMA Mosten Tel: 071 917 9244 Pax: 071 580 6991 LONDON

OCTOBER 11-13 TRANSFORM - The Systematic Approach to Managing Change This new course, develop Gilbreath, world leader in change executives who

leading change. oudfoot Change Mar Tel: 081 948 8333 Pax: 081 940 8293 LONDON

realise that success today is dependent on

aving practical methods and techniques

OCTOBER 11 & 12 Managing the Future The Management Charter Initiative's

(MCI) fifth National Conference will address the practical issues faced by managers as they fight their way out of recession, and look at the akills and qualities that they will need to help their organisations survive and prosper. Tel: 071-872 9000 Fax: 071-872 9099 LIVERPOOL

OCTOBER 11-14 **Using Interest Rate Derivatives** In Trading and Managing Risk London Business School Financial Software's comorebensive seminar, more than 50% of which is devoted to practical small group workshops. Ability in select the days you would like to attend.

OCTOBER 12 Selling Your Business to

Tel: 0923 825663

Fax: 071 580 6991

Management Scandic Crown Hmel, Victoria, London Guldaane through all aspects of management boy oats, Including the benefits and pitfalls of an MBO appro Contact: Evanga Moirie, CIMA Tel: 071-917 9244

LONDON

LONDON

OCTOBER 13 Banking on Change International Scenarios for Banks in the 1990s. The first of a series of 8 breakfas

presentations, one a month, delivered by Christopher Johnson, furmor General Manager and Chief Economic Adviset, Ltoyds Bank, They are designed for Senior Bank Management to London. Contact: John Whitley - Lafferty Training Tel: 071 782 0590 Pax: 071 782 0595 LONDON

OCTOBER 13 New US Trade, Tax & Environt's Regulations: Their Impact on

Corporate Profit From Wash. D.C., US Trade Representatives will present the Clinton Admin's trade & tariff policies; plus a focus on the new unitary tax laws, it's Impact on multinational corps and environmental laws' impact on insurance and construction. Loncheon speaker: Frederick Forsyth. The Stanford Bridge BIRMINGHAM Group, supported by Bank of America &

Tel: 0279 508702

LONDON

OCTOBER 14 City of London Derivatives Conference NOVEMBER 11-12 To be opened by Dr Henry Kaulman this

Cityforum conference covers the markets, their regulation, maximising their benefits colling the risks. Central Banking and The Centre for the Study of Finan Innovation, Swiss Bank Corp. Arthur Andersen and Freshfields sponsor. Information: Mare Lee, Cityforum Ltd. Tel: 0225-466744 Fax: 0225-442903 LONDON

OCTOBER 14 How To Succeed as a Supplier This one-day conference will address the key issues involved in accoming a successful supplier including comtendering, es structual terma, quality standards and debt collection. Tel: 071-730 0022

LONDON

OCTOBER 14-15 **Business Performance** Measurement: Identifying and managing the drivers of future

major two-day intercational magentest conference co how and why ce co how and why organisations are broadoning their inruance measurement ayatems to ude drivers of future value such as quality, customer anyles and human capital Contact: Business Intelligence Tel: 081-544 1830 Fax: 081-544 9020

LONDON '

OCTOBER 18-19 COMEX 93 A three track Mobile Communication

International Conference, covoring Cellular for the Mass Market, Mobile Data Developments, Wireless Local Loop. 8 peakers include Jim Norton locommunications Agency, Thomas Wheeler, Celiniar Tele Industry Association USA, Alex Areas, Hong Kong Telecommunications. Contact: Richard Huxley, The Federation of Communication Services Tel: 081-778 5656 Fax: 081-778 8402

LONDON

LONDON

OCTOBER 18-22 New Cards Strategies for Banks and Retailers

ael Bliss, former Chief Executive of Fraser Financial Services and a leadi consultant to the Cards industry, leads this exciting programme focusing on recent developments, particularly with Loyalty Cards and Affinky Cards. set: John Whitley - Lafferty Training Face 071 782 0595

Benchmarking.

A practical two day seminar/workshop from the UK's No.1 specialists. Practical case exercises, successful case studies. case exercises, successful case studies. Guest apeaker who is head of a major ny's intelligence unit. Contact: Patricia Donnard

EMP Intelligence Service Tel: 071-497-5665 Page 071-935-1640

Competitor Intelligence & Analysis inc.

exhibiting. MANY NEW MACHINES

TELFORD UK

Tel: 081-681 8226 Fac: 081-681 1641

ON SHOW

Tickets from Bill Lake

OCTOBER 20-21

Know Your Competitors

LONDON OCTOBER 25 Downsizing IT: The

Management Challenge A one-day management conference presenting a balanced view of the major factore to be taken inm account whon serionely considering, planning or implementing a downsizing strategy.
Contact: Business Intelligence Tel: 081-544 1830 Fax: 081-544 9020

OCTOBER 25 & 26 Acquiring and Valuing in

Germany
The M&A market in Germany has never favoured the buyer more than at present. This course is designed for those wishing to profit from these developments and who need to gain the skills to make successful acquisitions in G For further details contact: itions in Germany. ons Monthly

Tel: 071 823 8740 Fex: 071 581 4331

LONDON

NOVEMBER 1 & 2 Restructuring and Refinancing **Emerging from the Recession** Businessee which have answived the recession must now consider both their short and long term errelegine. Thie workshop will equip you with the skills and information necessary to gain a computitive advantage in the post on market For further details contact;

Acquisitions Monthly Tel: 071 823 8740 Fax: 071 581 4331 LONDON **NOVEMBER 2-3**

"Recognition International 93: Conference and Exhibition Novotel London, Hammersmith Europe's largest axhibiting devoted to Recognition Technology for Data Entry, Document Management and Publishing, Virtaal Reality International 94: rence and Exhibition, 1-2 February 1994. Novotel London, Hammersmith. Sarope's presoler trade event for VR developers, operators and investors, Further details from Meckler; Tel: +44 71 976 0405

LONDON

NOVEMBER 8 Successful Outsourcing: The

Fax: +44 71 976 0506

Challenge for LT. This nuc-day conference is specifically designed to help senior LT, and business nce is specifically managers assess the perential value of ng to their or identify the factors that contribute to the successful selection and manage such arrangements.

Contact: Business Intelligence

Tel: 081-544 1830 Fax: 081-544 90:20 Hotel Investment and Tourism

Development in Central and Eastern Europe Investment opportunities in 13 countries -and how to finance them. Ples essential oformation on Investment conditions in each country. The namissable one-s event for established investors and those exploring the market. Development Journal/Touche Ross Tel: 071 242 1280 or

Tel: 0223 315319 Fax: 0223 355679 LONDON

NOVEMBER 14-16 CBI National Conference ssions include - UK Economy, Eur Warld Trade. Government/Industry partnership, Training and Employmen Speakers include - Kenneth Clarke, James Delare, Michael Heseltine and John Smith. Contact Special Events department CBI Tel: 071 379 7400 Fax: 071 497 3646

HARROGATE **NOVEMBER 15 Auditing the Regulated Sectors** Coping with the New Repulations, New ctaintory duties for andltore of all

es regulated by FSA, Building ies Act and Frien mean changes in working practices and added potential liabilities. CPD 6 hours. CPE 8 points. t: Linda McKay, IBC Tel: 071 637 4383 Fax: 071 631 3214

NOVEMBER 16-17 BPR 93: The 1st annua conference and exhibition on **Business Process**

Re-engineering Two-day conference outlining tho opportunites presented by taking a process view of your business. Seolor representatives from leading companies in the US & UK outline how business reengineering has enabled them to achieve major improvements in emporate Contact: Business Intelligence Tel: 081-544 1830 Fax: 081-544 9020

NOVEMBER 22 & 23 The Fifth FT Petrochemicals Conference

The nim of this year's meeting is to provide a high-level forum to discuss the challanges carrently facing the potrochemical industry and cantolno elopments in key markets. **Enougles: Planetal Times** Tel: 071-814 9770 Flux: 071-873 3975/3969

LONDON

CONFERENCES & EXHIBITIONS **NOVEMBER 22** The Economics of Rail

Privatisation The conference will examine the munities and pitfalls in passenger service franchising, the new lessing market and management of the track efragrucius. nonicies: Pleancial Times

Tet: 071-814 9770 Fax: 071-873 3975/3969 LONDON

NOVEMBER 29

Money Laundering How do you prevent the isundering dirty money - how do you detect h and to whom do you report it? Serious penalties for failure. Compliance Surgery offers chance in have your own questions newered, CPD 6 hours. Contact: Athina Peters, IBC Tel: 071 637 4383 For further information, please contact Pas: 07t 63t 3214 Flera Milaco, Largo Domodossela t. LONDON

NOVEMBER 30 -

DECEMBER 2 Business in Britain Exhibition and Conference

Tel: 081-673 7766

A 200 stand exhibition and 75 seminar conference. A can-stop alop aimed at business managers of companies with up to £25 million tumover. Provides a forum for haslness advisers and managera trade only. For further information, please our planning for and senking expansion. Opens on Budget Day. Contact: Charles Hornor Fiera Milann, Largo Domodossolo 1,

LONDON

NOVEMBER 30 Insider Dealing Insider Dealing now seriously considered a criminal offence and increasing resources will be devoted to the disc and punishment of affenders. You mu have confidence that your caisting compliance procedures are adequate and up m date.

CPD 5.5 hours. Contact: Athina Peters, IBC Tel: 071 637 4383 Fax: 071 631 3214 LONDON

NOVEMBER 30 -DECEMBER 1 The UK Conference on **Customer Service Management** This conference will tackie the major issues facing organisations striving for quality and service excellence. Speakers

British Gas. Royal Mail. Senior Managers Contract: CSM Conference Tel: (0943) 817993 Fax: (0943) 817933

sclade the Chinf Executives of DHL,

Digital, KwikFit, N&P, Directors from

DECEMBER 2 COMPUTER LITIGATION - How to Protect Your Interests and **Obtain Redress**

A practical and commercial approach in defending and managing IT cases and presenting evidence. Essential for IT companies, departments and inwyers. CPD 5 hours. Contact: Linda McKey, 18C Tel: 001 637 4383

LONDON

INTERNATIONAL

SEPTEMBER International Tax Conferences Ernst & Young's International Conference Calendar: September: Interestional Tan and

Insurance, Helsinki 30 September: International Oil and Oas Contacts Michelle Beard, Smst & Young

Tel: 071 931 2297 HELSINKI/AMSTERDAM SEPTEMBER 22-24 Intermedia Europe 1993 The third European Conference end Exhibition on Multimedia and CD-ROM, takes place in Wiesbaden, Germany.

Page-+49-211-556231

For more information, please con Exhibition Companies, Dösseldor Tel:-+49-211-556281

WIESBADEN

SEPTEMBER 23 & 24 The 5th Economist Telecommunications Conference: Prospects for Global and Local Competition This year's event looks at prospects for Dlobal Competiting (market/players & services/finance & regulatory barriem; and Local Loop Competition (costs & benefits/existing & potential players/2C Policies.) Listen to those sheady meeting

and enrologating these competitive pressures. Contect: Flora Pink, The Economist Conferences Tel: 071 493 6711 Fax: 071 409 3296 VIENNA OCTOBER 8

Getting the Best out of Beigium Executive briefing to help you plan your move to the heart of Europe. Includes legal, financial and marketing issues, also family refuestion. Held during the Welcome Fair - a comore introduction to this truly internation community. British Chambur of Commerce in Belgium. Tel: +32 2 678 4790 Fax: +32 2 678 4791

BELGIUM OCTOBER 14-15 **EUROAID '93 Conference** European Community Aid for Development Aid Programme opportunities for EC companies (40 billion ECU by 1999) in: Africa, Caribbean, Pacific, Asla, Latin

America, Medilerrancan, Central & Eastern Europe and CIS. Contact: Société Générale de ement S A Tek +32 2 512 4636 Pax: +32 2 512 4653

OCTOBER International Tax Conferences Ernst & Young's International Confere 14 October: International Tax Planning

Resources Planning, San Antonio, Texas 28 October - International Tax Planning, Contact: Michelle Beard, Brust & Young Tel: 071 931 2297 LONDON, TEXAS, TORONTO

25 October - International Human

NOVEMBER 4-5 The Food and Drink Industry in Central and Eastern Europe: Latest Market Trends

and Corporate Developments Speakers include BBDO Europe, Central Europe Trust, CPC, CRAM, Heinz, Kraft, MacDonalda, Delker, Pepaicola, PROMAR and Vitana. Contact: Management Centre Europe, Brussels. Tel: 432-2-516.19.87

Fax: 432-2-513.71.08

BRUSSELS

NOVEMBER 5-9 EXPO FOOD 93 Exhibition of food and drink, Reserved for trade only.

20145 Milan, tel (+39 2) 49971, fax (+39 2) 4997 7179 or in the

UK: OTSA Lid, tel 071 486 1951 MILAN

NOVEMBER 5-9 **EXPO MARKET 93**

20145 Milan, tel (+39 2) 49971, fax (+39 2) 4997 7179

UK: OTSA Ltd, tel 071 486 1951 MILAN **NOVEMBER 5-9**

EXPO TOUR 93 trade only.
For further information, please con-Flere Milane, Largo Domadessola I, 20145 Milan, tel (+39 2) 49971, fax (+39 2) 4997 7179 or in the UK: OTSA Ltd.

tel 071 486 1951

NOVEMBER 5-9

EXPO VIP 93

Exhibition of products, equipment and facilities for high class mateorants.

MILAN

MILAN **NOVEMBER 15-18** International Service & Quality

Reserved for trade only.

For further information, please contact:

20145 Milan, tel (+39 2) 49971.

fax (+39 2) 4997 7179 or.

in the UK: OTSA Ltd.

Fax: 33 (1) 42 67 55 21

tel 071 486 1951

Forum The Euro Disney Resort, Paris Explore the best practices of winning organisations from around the waild. Develop quality and service strategies at help your organisation thrive in today's changing markets. Network with manneere from around the world. U.S. Tel: 1-612-340-4744 Fax: 1-612-340-4759 Paris: Tel: 33 (1) 42 67 55 22

PARIS

NOVEMBER 23-27 11th Rich & Mac International cabibilium of chemistry. chemical equipment for analysis, research test and biotechnology. Reserved for trade

For further information, please contact:

Finto Milano, Larga Damodossola I, 20145 Milan, tel (+39 2) 49971. fax (+39 2) 4997 7179 or, in the UK: OTSA Ltd, tel 071 486 1951.

BIAS 93 International exhibition of automation robotics and microelectronics. Reserved for trade unly. For further information

Finra Milano, Largo Domodossola 1,

NOVEMBER 23-27

20145 Milan, tel (+39 2) 4997 L fax (+39 2) 4997 7179 or, in the UK: OTSA Ltd, tel 071 486 1951.

NOVEMBER 25 & 26 Global Panel Maastricht Patterna of a changing world. An international conference, on new challeages facing the global husiness community. lankeding planary sessions, working huncheons and parallel sessions The principle issues: Eco omy Today, A world of Megacompetition, Peace and

Security. Enquiries: ERC, Vlaurdinger Id: +31-10 234 01 55 fax: +31-10 460 4969 MAASTRICHT

NOVEMBER 25-26 International Pharma Marketing "Optimising Pharma Product Portfolios in Period of Slow Growth. Thia international conference for senior pherma marketeers focuses on a highly pro-

optimisation strategy: product portfol

Contact: Management Centre Europe Brussels. Tel: +32-2-516-19.87 Fax: +32-2-513.71.08

NOVEMBER 30 -DECEMBER 2 International Knitweat and Clothing Babibition. Astamo/Winter 94/95

collections for men, women and children. Reserved for trade only. For further information, please contact; Fiere Milano, Largo Domodossolo I. 20145 Milan. Tel: (+39 2) 49971 Fax: or in the UK: OTSA Ltd.

MILAN

DECEMBER 1-3 EC - Korea Electronics Industries Forum Dynamic reforms in Korea offering growing business opportunities for EC companies - a malti-dimensional programme organised by the European mmission and the Electronics Industries Association of Korea (EIAK). Comprising: Pleasey Meeting, Technical Presentations/Workshops, Bi-Laterel Meetings, Poster Sessions, Industrial Visits, Secretarist assistance and more.

Tel: (+44 81) 660 7290 Fax: (+44 81) 660 7971

TO ADVERTISE IN THIS SECTION PLEASE CALL ALISON PRIN ON 071 407 5752

Contact: EC Secretarist, London

0

	CORNELS V Insulfaceally INSULFACE AND CONTRACTOR CONTRACTOR CONTRACTOR
Solido Sinck High Law Choice Corp. Sales Sinck High Law Choice Corp.	Proc. Proc
NEW YORK DOW JONES Sop Sop Sop Sop Sop Aug 1993	Sign Allow Control All
March Marc	Figs Lew Expression Triver Figs Lew Expression Triver Expression Triver Expression Triver Expression Triver Expression Triver Expression Triver
cations from a European perspective. In fact you'll find far more than finance in the FT. No surprise then, that the Financial Times is read by over four times as many senior European businessmen and women as any other international newspaper.* Make sure you're one of them by getting your own copy of the newspaper delivered daily to your office. "Source EBRS 1991 The Gillian Hart, Financial Times (Europe) GinbH, Nibeharpeaplate 3, 80318 Frankfart/Main, Garmany, Tel. + 4964 136850, Th. 416491, Fin. + 4964 5964813. SPECIAL INTRODUCTORY SUBSCRIPTION. TWELVE FREE ISSUES DELIVERED TO YOUR OFFICE To: Gillian Hart, Financial Times (Europe) GinbH, Nibeharpeaplate 3, 80318 Frankfart/Main, Garmany, Tel. + 4964 136850, Th. 418491, Fin. + 4969 9964813. Tel. + 4969 136850, Th. 418491, Fin. + 4969 9964813. YES, I would like to subscribe to the Financial Times, and only my that 12 issues the L. I will allow up to 21 days before delivery of my tiest copy. Please enter my subscription for 12 months at the following rate: Austria OES 5,000 [France FFR 1991] Licembroug LFR 12.500 [Senten SER 2,000] Bergiam BFR 12.500 [Germany DM 700 [Netherland DF, 805] Senten SER 2,000 Demant, DKK 1,150 [Greece** DR 22,000 [Netwey) NOK 2,200) Senten SER 2,000 BBI Caupe my American Express/Diacs Cably Expry Date Signature. No order accopted without a signature. No order accopted without a signature. No order accopted without a signature.	1.00 1.00

In the bomb-blasted City of London, the worst may be over for reinsurers PAGE II

DAY SEPTEMBER 6 1993

FINANCIAL TIMES SURVEY

REINSURANCE

Natural disasters have been happening more frequently than in the past PAGE III

Monday September 6 1993

New capital is flowing into the reinsurance industry, writes Richard Lapper. But as the markets absorb the cost of a series of recent largescale disasters, they are under continued pressure to raise premiums and to limit the scope of cover

Reaping the whirlwinds

AS REINSURERS MEET in Monte Carlo today for their annual rendezvous, investors are showing an almost feverish

interest in their industry.

Yet in spite of the flow of new capital into the catastrophe market in Bermuda and to a lesser extent in London, international markets are still short of capacity, following the increase in both the number and scale of catastrophe losses in recent years.

Bermuda has been the biggest beneficiary of the surge in investor interest, with more than half a dozen new companies, specialising in catastropha reinsurance, choosing to base themselves on the island in recent months. The biggest new venture is a company, called Partner Reinsurance, launched a week ago by Swiss Re, the world's second biggest reinsurer, John Head, the US investor, and other institutional transfers.

tional investors.

The three original shareholders have invested \$255m and intend to raise a further \$500m from US, European and Japanese equity markets. Mr Walter Kielholz, a director of Swiss Re, said the aim of the project was to "generate as much new capacity as possible".

Earlier this summer investors – ranging from insurers and reinsurers such as American International Group, General Re and USF & C, brokers such as Johnson & Higgins and financial houses such as Goldman Sachs – announced backing for four esparate ventures with e combined capital of more than \$1bn.

The biggest of these - Tempest Reinsurance - is expected to have up to \$500m in capital, while International Property Catastrophe Reinsurance Co, backed by AIG and others, is cepitalised at \$300m. In another move Mid-Ocean, a venture started by Marsh McLennan and JP Morgan last year with capital of \$350m, raised a further \$250m through an initial public offering in New York. Seperately it emerged in August that both SCOR, the French reinsurer, and Centre Re, now controlled by Switzerland'e Zurich Insurance, are both considering new Bermuda-hased catastrophe reinsurance subsidiaries.

In London, two US insurance companies have announced plans to launch new subsidiaries, dedicated to the catastrophe reinsurance market, while Benfield Group, a fast growing reinsurance broker, is expected to launch a new reinsurance company in the autumn with about £50m in capital, while Australian investors are preparing to inject A\$300m into e new Sydney-

based facility.

This influx of capital will ease capacity shortages hut it is unlikely to be sufficient to depress rates, which have risen strongly since 1989 following a series of multi-billion pound



insurance losses. The impact of hurricane Andrew last year, which left losses of more than \$15.5bn and was the higgest ever US catastrophe lose, underlined the increasing scale of catastrophes in recent years.

Mr Alan Badanes, who specialises in insurance mergers and acquisitions with Chase Manhattan, says that even after the most recent announcements in Bermuda, the amount of new money is still dwarfed by the volume of capital which has left the industry in recent years. "Any way you look at it there is e big hole to fill, in terms of raw supply and demand this means prices should hold up for the next few years," says Mr Badanes.

In London, imderwriters and brokers expect the extra capacity will allow them to stabilise covers and rates at present levels. They stress that at least as far as the 1994 renewal season is concerned most Bermudian

underwriters are following the rates set hy underwriters in London

Mr Richard Keeling, underwriter with Murray Lawrence syndicate 362, and a leader of reinsurance business in London, says that some buyers of catastrophe covers, from Australia, for example, could even face rate increases. But he hopes that increases will be evoided elsewhere. "With a bit of luck we can stabilise the catastrophe product."

Mr Keeling is expecting the most substantial rate increases in the market for risk excess covers, which cover the peak exposures of a ceding company. Rates in the risk excess market vary by as much as 500 per cent. "The market has got to a point where it needs to be repricing the product."

to a point where it needs to be repricing the product."

The "hardening" is likely to be as pronounced in the proportional market - where reinsurers assume a set percentage of exposures in return for the same percentage of original premium less a ceding commission. Europe's higgest reinsurers are still not satisfied that rates have been increased to adequate levels. Last year the withdrawal of Munich Re and some of its European rivals from some markets increased

capacity shortages and spurred

further rate increases.

Munich Re excluded some catastrophe risks from policies in the hurricane-prone Caribbean, for example, and refused to cover terrorism in policies sold to UK insurers, following the IRA bomb attacks of April 1992. This latter move caused confusion in the UK industry and, in spite of the establishment of a new government-backed reinsurer. Pool Re, many of the country's businesses are now not protected from terrorist incidents.

Dr Fedor Merhaus, a management board member at Munich Re, says that original rates for earthquakes and storms are still too low in almost all markets and thet commercial lines husiness is still heavily underpriced, hinting thet further tightening could be on the way. "We have taken the view that we can't follow these inadequate original rates any longer. We can only agree a separate reinsurance price. If we cannot get an adequate price we must reduce coverage." he says

coverage," he says.

Reinsurers are likely to press
for the introduction of loss participation clauses and lower
commissions on proportional
business. Reinsurers could also
insist on new restrictions to
the wordings of proportional
treaties, including caps on
catastrophe exposures.

Caps have been introduced in most American proportional treaties over the last 12 months, according to Standard & Poor's, the US rating agency. Dr Nierhaus says Munich Reintends to press for similar changes elsewhere and says

that reinsurers will be unable to give "unlimited cover for each loss event". The company will "pursue this limitation. It is a matter of fundamental importance," ha adds.

Underwriters in London now expect other European reinsurers to follow suit, a development which could leave some European insurers with problems. "This is very serious especially for French and German insurers who have no idea about the size of their exposures," said a Lloyd's underwriter. These companies will come under more more pressure from their reinsurers to provide more detailed information to their exposures to storm and other catastrophe risks.

and other catastrophe risks.
One other implication is that hard pressed and financially weak direct insurers may be unable to use proportional treaties to bolster their capital.

treaties to bolster their capital.

The proportional merket could also see some other changes with European underwriters of liability and motor business refusing to offer unlimited cover except where it is a legal requirement to do

A leading London broker says that reinsurers successfully pushed through these changes during the Australian renewal season at the beginning of July, although they were less successful in the South African market.

Overall, though, current developments seem likely to reinforce the recent trend in the market for reinsurers to carry a greater proportion of exposure on thir own books, rather than syndicating them widely with dozens of reinsurers sharing a small part of each contract. "The flight to capital and the flight to quality will continue," says Mr Badanes. "Rather than 70 different reinsurers all taking small lines on one reinsurance contract, there will be fewer but larger companies and larger

ines."

Mr Michael Palm, executive vice-president of Centre Re, believes "a smaller market made up of larger players" is emerging. "Pricing and terms will be controlled by the large and well capitalised companies," he adds,



☐ Fighting a forest fire in California in August 1992

IN THIS SURVEY

City developers show
post-bombing confidence;
Europeans pay for the

■ US reinsurers say hurricane Andrew could have been much worse; global warming makes insurers sweatPAGE III

As central control crumbles in Latin America and the ex-Soviet bloc, openings arise for private operators; the delayed price of "forgotten"

pollutants _____PAGE IV

III Financial products still
sell despite tighter rules;
profile of Centre Re's
unorthodox founding duo;
brokers take on an
advisory role ____PAGE IV

M A rethink in life reinsurance; why sunny Bermuda is sucking in investors' cashPAGE VI

Editorial production: Maurice Sarruelson Design Robin Coles Illustration: Ingram Pinn Graphics: Robert Hutchison

THE ART & SCIENCE OF REINSURANCE

The Art of Reinsurance—it is a rich blend of the skills, experience and intuition of the professionals at Guy Carpenter. It allows us to respond creatively to any contingency.

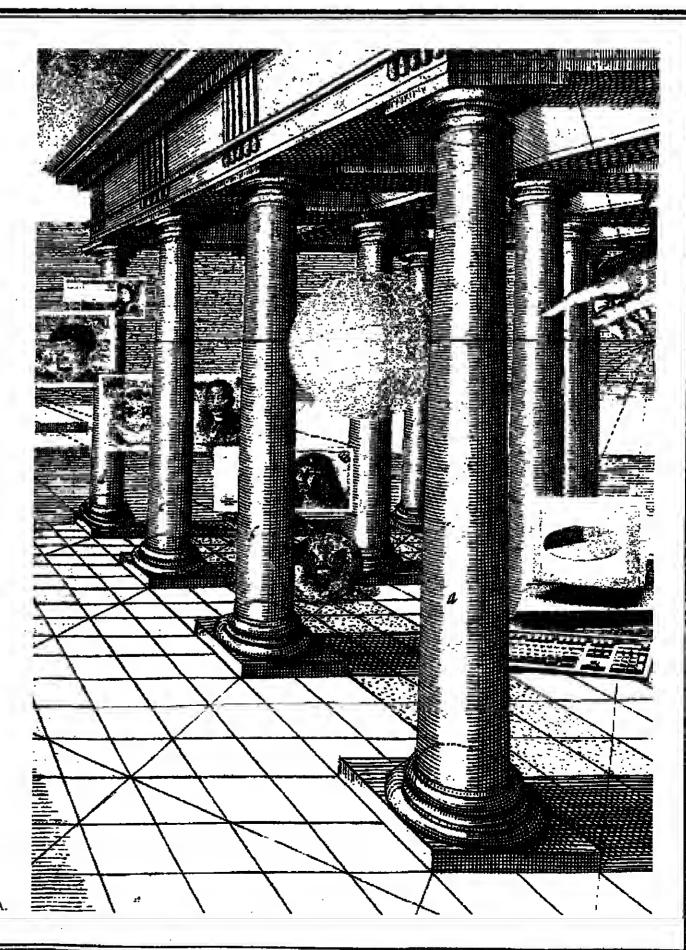
The Science of Reinsurance—as the world's leading reinsurance intermediary, we have unmatched information about the world's different kinds and sources of reinsurance. Our data base is continually updated to provide our brokers with the global knowledge that backs up their local expertise.

At Guy Carpenter, Carpenter Bowring, Balis, and Union Française de Réassurances we deliver both the Art and the Science of reinsurance. Clients of all sizes benefit from the result—effective, globally aware solutions.

GLOBAL REINSURANCE SERVICES



Australia Belgium Carple Denmark France Germany Hong Kong Korca Spein Sweden U.K. U.S.A.



London's outlook is not as bad as it seems, says Richard Lapper

Recovery in the ruins

AMID the bomb debris and "To Let" signs littering Fenchurch and Leadenhall Street it is only too easy to form the impres-Sion that London's insurance market is in terminal decline.

indeed in the spring of this year news of reinsurance company withdrawals and a continual stream of disaster and scandal at the Lloyd's markets combined to create a mood of near despair among professionals about the fortunes of the

Six months later the picture is a good deal brighter. Reinsurance rates are still rising. the weather in the Caribbean and Europe has - at least until the eod of August - been kinder to reinsurers, and the market has been buoyed by higher than expected investor interest in new rejosurance ventures botb at Lloyd's and in the company market.

London's problems began when a series of catastropbe losses squeezed between the two European storms of OctoLondon market catastrophe reinsurance

Price hardening, 1989-93 (%) Source of risk premium rates

the highly specialist market for retrocessional cover. At a time when the market was introducing new technology to speed up claims payments, the combination of both the number and scale of the losses eventually overwhelmed lead underwrit-ers backed by Lloyd's agencies such as Gooda Walker, Feltrim, Devonshire, Rose Thompson

Young and Bromley. Syndicates such as 290 and 540/42 made losses in 1989 and 1990 which exceeded their total capacity by more than 200 per cent, leaving their Names with unsustainable losses and a tanber 1987 and January 1990 hit gle of litigation. Losses at

Gooda Walker's seven syndicates - three of which were regarded as leaders in the "spi-ral" market - are expected to exceed £1bn, about a sixth of Lloyd's total losses in the last five years. Even underwriters such as Mr David King, whose syndicate 745 was popular among professionals, has been driven out of business by the

The number of syndicstes fell from just over 400 in 1990 to 228 in 1993, with a fall to fewer than 200 forecast for 1994. Syndicates which had occupied four of the Lloyd's building's trading floors in 1989

the twin problems of inade-

quate underlying property

rates and instability in predic-

tion of natural catastrophe

losses. At the end of August, it

announced that it planned to

invest \$100m and to take a

leading technical role in Part-

ner Re, a new specialist catas-

trophe reinsurer based in Ber-

has been extremely bad also on

a per risk basis, especially in

Europe, and especially in

France and Germany," says general manager Walter Kiel-

bolz, whose company is "trying

very hard - I can't put it other-

wise - to pressure our clients

into doing something about it".

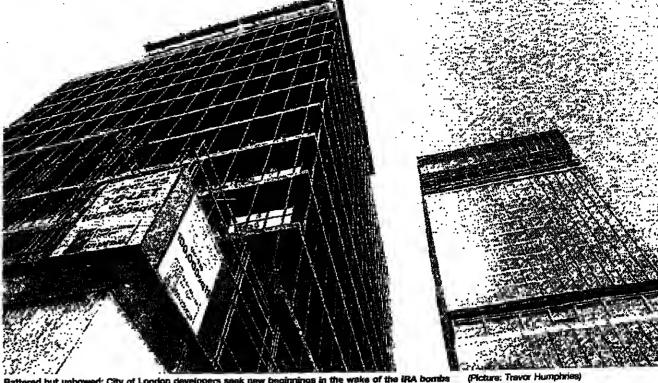
"We are assisted in this by

"Industrial fire and property

were accommodated on only two floors this year.

London-based reinsurance companies were hit in less spectacular fashion but in soma cases the damage was sufficient to force withdrawals from the market. Mercantile & General Re, the subsidiary of the Prudential Corporation, was so badly affected by claims from the Piper Alpha oil rig explosion in July 1988 that it first markedly reduced its exposure to general reinsurance business, and then in 1993 announced its decision to concentrate on life reinsurance.

A second wave of losses in 1991 and 1992, culminating in hurricane Andrew - the US's higgest ever catastropbe loss damaged a number of companies specialising in direct reinsurance, leading earlier this vear to the decision by market leaders such as English & American, Norwich Winterthur (a joint venture backed by Norwich Union, Winterthur and Chiyoda of Japan) and NRG, the subsidiary of the Nether-



lands' biggest insurance company, Internationale Nederlande Groep, to leave the mar-

Mr Willem Dikland, chief executive of NRG, explained that reinsurance did not offer "a sufficient return on capital. Catastrophes are getting bigger. You cannot get any retrocession (reinsurance of reinsurance) protection, and original rates, especially in France and Germany, are totally inade-

At least a dozen companies, some of whom such as Chancellor had so extensive involvement in the reinsurance and retrocession markets, have gone into liquidation. More generally the scale of losses and obvious volatility of the market led to the withdrawal of companies such as Royal Re. the subsidiary of Royal Insur-

Moreover, tha problems of many Lloyd's syndicates and smaller reinsurance companies have heightened fears about reinsurance security. Increas-ingly brokers have shied away from placing business with reinsurers who have less than £50m in capital.

At the same time the greater preparedness of brokers to place business directly with large European companies in their home offices has also weakened London's position. And stung by heavy losses themselves many European companies have become much

more concerned to exercise more direct control over the

business they write.
In s significant development in June Munich Re announced that it was downgrading its London office. A notice to brokers issued on 30 June said that the company's previous policy in which international treoty business had bean underwritten in London "had lead to accumulations which have to be more tightly and centrally controlled". In future international treaties would be underwritten either in the

London's troubles began with the blg storms of October 1987 and January 1990

Munich bome office or in Munich Re's local subsidiaries and hranches in the respective

markets, it added. Yet in recent months there have been initial indications of a slow recovery in London's fortunes. Rates for almost all reinsurance policles have increased to more adequate levels, increasing the prospects of a return to profitability. The Lloyd's business plan, published in April, highlighted a sbarp rise in reinsurance rates between 1989 and 1993 and a big increase in the size of deductibles that buyers are being forced to accept (see

groph). During the summer

there have been a number of new investments. · NAC Re, the eighth largest

US reinsurance company, injected £50m into a London reinsurance subsidiary in June, after recruiting Mr Charles Catt from NWRe to head up the office. • Liherty Mutual, a Bostonbased insurer, also announced

in June that it intends to invest £85m in its London market subsidiary. The investment increased paid-up capital of the company from £15m to £100m. Liberty had earlier recruited Mr Dick Hazell, the former deputy chairman of Lloyd's of London, as the chairman of its London subsidiary.

 Mr David Holmes, of the London Insurance and Reinsurance Market Association (LIRMA), says his organisation, which represents the London reinsurance community, has received a number of other inquiries especially from US companies.

• In August Eagle Star, the insurance subsidiary of BAT Industries, announced it was converting its London market division into a fully fledged marine and reinsurance com-pany, with a dedicated capital of £125m.

• In August It also emerged that the Benfield Group, a broker, which specialises in high level excess of loss market. was intended to form a new reinsurance company, with paid up capital of some £50m.

 There has also been higher than expected investor interest among UK and US financial institutions in the efforts of Lloyd's of Londoo to attract corporate capital to its market. At least some of this capital which could amount to £500m according to some early indications - will be channelled into

the reinsurance market. Sentiment was also boosted in July by the government's decision to allow companies to establish tax free catastrophe reserves for the first time. The changes were outlined in con-sultation document issued by the Department of Trade and industry and the Inland Revenue and published in July.

Even so investor interest in London is dwarfed by recent developments in the Bermudian marketplace, where more than \$1bn in fresh capital was pledged in tha summer. At present underwriters of the new Bermudian companies are currently content to underwrite so-called "following" lines on policies whose price, terms and conditions are decided by "lead" underwriters m London.

Yet as their confidence grows the new Bermudian companies may soon start to seek to lead business themselves, posing a potentially serious competitive threat. The London market will need to consolidate its recent recovery if it is to defend its position successfully.

Europeans foot the bill for the 1980s, writes Trevor Petch

Man-made hurricanes

witnessed the culmination of a series of adverse treods in Europe's primary insurance industry which had their roots in the dynamic financial markets and striving for international expansion in the mid-

In 1985, non-life reinsurers were publicly expressing anxiety mainly about US liability business. By 1937, other concerns were coming more to the fore. Munich Re, for example, noted "the far-reaching consequences" of retention of a greater share of risk both by commercial insureds and

Netberlands Reinsurance Group (NRG) commented that the resulting shift of emphasis towards catastrophe cover would lead to "increasingly unbalanced" reinsurance portfolios and even greater volatility of results, which could only

THE early 1990s have be evened out if "an adequate price is charged".

At the same time, Swiss Re was observing "the first effects of the EC 1992 project" in the shape of intensified competition, particularly for industrial risks. This was precisely the area of business "which has repeatedly brought unsatisfactory results for years". Munich Re, meanwhile, had for years been criticising "structural deficiencies" in the European industrial fire market.

By 1988-89, Swiss Re was expressing concern over possible accumulations of risk generated by restructuring of the primary insurance market, as well as criticising "blatant" underpricing in some areas.

The 1990 winter storms in Europe prompted it to call for "fair distribution" of catastrophe losses between reinsurer. insurer and policyholder.

GREIG FESTER

THE INDEPENDENT

REINSURANCE BROKER

DEVON HOUSE

58-60 ST. KATHARINE'S WAY, LONDON EI 9LB

Telephone: 071-488 2828 Facsimile: 071-265 1234

And at Lloyd's

Swiss Re is now addressing

tha prohibition of cross-subsidising of personal and com-mercial lines," be adds. But he sees a potential danger in the impending liberalisation of all European Community markets. All our experience of markets which liberalise indicates that rates tend not to go up," be comments Reinsurers can either reduce

their support or toughen conditions, but in Mr Kielholz's view some restructuring of the business Itself is necessary. For example, in continental Europe there has been a tendency not to encourage industrial clients to take large deductibles, which are sometimes so low as to be "quite ridiculous". He attributes this largely to distribution networks focused on premium volume.

Each part of the business, he says, must be examined on a stand-alone basis so that no client segment or class of business subsidises another. The problem with a "whole account" view was that it made it impossible to set funds aside for very risky business.

"If the original business cannot be cured, an unhooking of the reinsurance terms of trade ing director of Eagle Star Re, one of few remaining providers of significant proportional ance. capacity in London. Last year, with numbers of

reinsurers withdrawing or heavily restricting operations, the bargsining position of those remaining was strengthened, particularly as catastrophes had ended tha reinsurspiral in wblch participants earned a precarlous living by "taking in each

from the original terms of

trade is unavoidable," he con-

"Especially in areas of high

risk, you have to have an abso-

lute level of control," com-

ments John Dowling, manag-

cludes.

other's laundry' In August, Cologne Re told clients that over the next five years it would cease providing cover for catastrophe on a proportional basis.

In October, the UK market was notified by European reinsurers that cover for damage from terrorist attack would no longer be included free in prop erty reinsurances. Munich Re, again, had been warning of the implications of increasing political risk for property

insurance for years. In its 1993 annual catastrophe review, it stated that wherever there is a risk of large losses, reinsurers must obtain in full a margin sufficient to pay them "irrespective of whether the original rates charged by their reinsured clients provide these margins or

Furthermore, account must be taken not only of past losses, but of the risk that future catastrophe costs may be higher still.

The same argument applies to proportional business. With original prices so low that they are often barely sufficient to pay for a medium-sized fire claim, "reinsurers are in effect covering major fire losses free of charge, not to mention natural catastrophe losses," says Munich Re management board member Fedor Nierhaus.

Munich Re will no longer fol low inadequate original prices, and will also set limits on catastrophe exposure in proportional contracts, which Mr Nierhaus describes as "a matter of fundamental importance." Such caps have suddenly become the rule rather

than the exception in the US. Serge Osouf, president, rein surance operations, of the French SCOR group, says "we decided to show the market that enough was enough" SCOR's accounts are probably the most transparent of any European reinsurer, with major losses - and any subsequent recovery - shown more quickly than by its competi-

"We have to replenish and increase our catastrophe resarves, and therefore we need better margins," he says. SCOR group companies too will emphasise non-proportional and facultative business. but will renew proportional on a selected basis after careful review of catastrophe accumnlations.

clients who are prepared also to share their good results." be



INSURANCE **NEWSLETTERS**

> The essential source of

international intelligence for and about the global insurance and

FINANCIAL TIMES

NEWSLETTERS

reinsurance industry.

"We will co-operate with all

Perhaps the most radical step, however, was that taken by NRG. It announced its complete withdrawal from non-life reinsurance in March afterobserving that "the vagaries of the American tort system ... exploited by a surfeit of plaintiff lawyers make it virtually impossible to transact liability business on a profitable basis. □ Trevor Petch is editor of the FT World Insurance Report



turn to World Insurance Report for authoritative, concise reporting on international non-life insurance and reinsurance. World market trends, law and supervision, liability developments, losses and claims, marine, aviation and transport, Lloyd's and company news are all covered regularly and in depth.

EAST EUROPEAN INSURANCE REPORT

The monthly newsletter dedicated to these new insurance markets provides in depth country by country analysis of legislation, new companies and products, market trends and potential liabilities, keeping readers up to date with often fast changing and complex developments. Information sources include direct contacts in the insurance industry and national government departments.

WORLD POLICY GUIDE

The unique monthly which combines clause by clause analysis of London market policies with an international listing of newly available insurance products. If you sell, buy, regulate, administer or are otherwise concerned with insurance, World Policy Guide is an invaluable source of what's on offer, where and from whom.

Please send me a FREE sam	ple copy of:
EAST EUROPEAN INSURANCE REPOR	WORLD INSURANCE REPORT
WORLD POLICY GUIDE (NORMA	LLY AVAILABLE BY SUBSCRIPTION ONLY
BLOCK CAPITALS PLEASE	
Name	
Company Name	
Address	74 M M. -

Post code/Zip code	
Country	-1 1 - 1 fe-1
Telephone	Fax
Nature of Business	
	3085

Simply post or fax a copy of this form to: Carolyn McNamara, Room 3085 Financial Times Newsletters, 126 Jermyn Street, London, SWIY 4UJ, UK. Tel: +44 (0)71 411 4414. Fax: +44 (0)71 411 4415.



We are a 250 lawyer full-service law firm. Approximately 60 of our lawyers work in our Insurance Practice Group and offer a complete range of legal services to the insurance and reinsurance industries, including:

All Aspects of Captive Formation, Operation and Taxation

Reinsurance, Arbitration, Litigation and Alternative Dispute Resolution

Insurance Company Acquisitions

Insolvencies

Tax, Corporate and Regulatory Advice

Overseas Investment in the United States and Other Transnational Transactions

Sutherland, Asbill & Brennan

IN ATLANTA, GRORGIA 999 Peachtree St., NE Atlanta, GA 30309-3996 (404) 853-8000 Contact: William H. Bra John W. Bonds, Jr.

In Austin, Texas 600 Congress Ave., Sic. 1700 Austin, TX 78701 (512) 469-3350

In New York, New York 1270 Avenue of the Americas New York, NY 10020-1700 (212) 332-3000

IN WASHINGTON, D.C. 1275 Pennsylvania Ava., NW Washington, DC 20004-2404 (202) 383-0100

Hurricance Andrew was bad but it could have cost a lot more, reports Richard Lapper

written in 1992 (\$m)

The big one that missed Miami

HURRICANE Andrew, the biggest ever US catastrophe loss was bad - but it could have been much worse. Had Andrew hit Miami last August instead of less built-up areas of Florida and Louisiana, the damage would have been much greater than the \$15.5bn in losses the storm actually caused. Even so the impact of the hurricane on the local reinsurance market, which contributed to \$22.97bn in catastrophe iosses for the year as a whole, has been stark.

AV 53-P (i:MBER 6 1993

MAN WAR

----nelied una

- 10 300Sb5

in a constant on the time The

The second section of the second

2000年 · 1000年

7,6 %

- Var

.....

CE REPORT

er er well

Last year's losses have depressed industry profitability and put many smaller and medium-sized reinsurers under further financial strain leading many to reduce their involvement in the market and a decline in capacity, with the resulting fall in capacity forcing a sharp increases in prices. The scale of the burricane

has also served to highlight a longer term trend in which catastrophe losses are becoming bigger and more frequent. Losses from catastrophes rose steadily during the 1980s with the annual toll reaching \$2.3bn in 1983, \$2.8bn in 1985 and \$7.6bn in 1989, when claims from hurricane Hugo alone

THE scope and frequency of

claims due to natural catastro-

phes has risen drastically over

recent decades leading to

unprecedented losses for insur-

The trend was highlighted

by Swiss Re in Sigma, its

monthly review of reinsurance

ers and reinsurers alike.

1990 and 1991 losses stayed at a high level, amounting to \$2.82bn and \$4.72bn respec-

General Reinsurance

Prudential Re

Employers Reinsurance American Re-Insurance

Constitution Reinsurance Swiss Reinsurance

Skandia America Re

Munich American Re

Transamerica Re Transatientic Re

tively. Figures for the first three months from Property Claims Services, the body which collates data for the industry, indicate that the trend is con-

Anticipated claims for the first quarter amounted to \$2.8bn. The bulk of the first quarter loss was provided by a large storm which hit 24 southern and eastern states between 11 and 14 March. Claims from the World Trade Center bombing on 26 February amount to more than

amounted to \$4.2bn. During \$510m. "The industry has to accept that the traditional pattern of periods of low loss frequency punctuated by the occasional bad year is no longer applicable," commented

> Rates have risen sharply. Reinsurance premiums which Europe and elsewhere.

the specialist newsletter Catastrophe Reinsurance.

were moving gently upwards at last year's mid-year renewals rose sharply at the end of the year and have climbed higher again this year, bringing the US firmly into line with the hardening market in Increases of rates ranged

from 10 per cent to 100 per cent

TOP 10 US REINSURERS BY NET PREMIUMS ther fightness, especially in the property market, was evident at mid-year renewals. The terms and conditions of many reinsurance policies sold to US buyers have tightened.

According to Mr Alan Cranfield, reinsurance broker with Alexander Howden, pro-rata reinsurance treaties bought by US companies are now much more likely to include caps on the catastrophe exposures that they cover. Mr Cranfield said that 90 per cent of such policies included caps at the the mid-year renewals, compared with 70 per cent at the end of last year.

Reinsurers are also more likely to insist that insurers agree to accept bigger deductibles, retaining more of their risks on their own books. This in turn is prompting many insurers to reduce the amount of cover they offer to their own policyholders, especially in areas highly exposed to catastrophe risks such as coastal

In the longer term the trends seem certain to put many smaller reinsurance companies under increasing financial pressure, leading to a further on January 1993 renewals. Fur- consolidation in the market.

the momentum of vertical

exchange processes which are

the driving force in the devel-

opment of tropical cyclones,

tornadoes and thunderstorms

resulting in increased fre-

rating agency, says that 1992 losses drove up the industry's combined ratio (expenses plus claims against premiums) to 118.2 per cent compared with 106.3 per cent in 1991, leading to a sharp depression in profit-

ability. In spite of its capital gains of more than \$870m, the earnings of the US reinsurance industry plummeted during 1992. Profitability as measured by return on revenue dropped 10 percent-

The long-term outlook is for greater market consolidation as smaller companies come under tighter financial pressure

age points to 2.88 per cent in 1992 from 12.95 per cant in 1991. The industry's pre-tax profits declined by 51 per cent to \$963m compared with \$2bn in 1991, while profits - as measured by return on equity fell by 747 basis points to 6.34 ner cent in 1992. Excluding realised gains it fell to 0.59 per

S & P's figures show that the

industry's better capitalised US catastrophe record 1970-1992 reinsurers have fared better

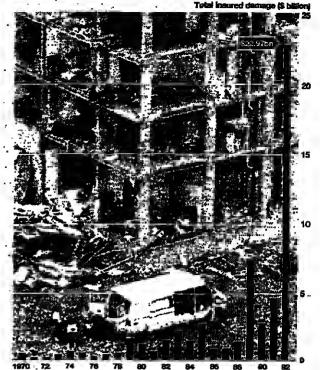
than their weaker rivals, generally posting better results. "Simply put, larger well-capitalised reinsurers are in e better position to withstand such devastating losses," say Thomas Walsh and Mary Ann Gangemi, of Standard & Poor's. Financially stronger well

positioned reinsurers have been abla to "cherry pick" books of business from both primary companies looking to leave the reinsurance business and professional reinsurers who have lost market share or status.

The top 10 reinsurers' creased their market share to 57 per cent in 1992, compared with 44 per cent in 1985 and 53 per cent in 1991, say S & P. The too 20 reinsurers are responsible for more than 75 per cent of net premiums written. Beyond the top 20 almost 90 per cent of premiums are underwritten by only 35 companies.

The consolidation process accelerated by the most recent string of catastrophes, is expec ted to continue as many of the cially due to the less profitable business written in recent years," say S & P's Walsh and Gangemi.

"These losses will require further loss reserve strength-ening which for some will create unbearable pressure on an already fragile capital base, the two analysts add.





Global warming makes insurers sweat, writes Vannessa Young

Natural disasters multiply

the last 23 years, while insured losses increased by over 900

developments. Its review of catastrophe and other major losses in 1992 shows that natural disasters again dominated the year with a record 130 events resulting in an insured loss of \$22.5bn, up 108 per cent on the previous year's figure. Nor was the long-term comparison any healthier. Loss figures have remained high for the last four years while aver-

age losses rose alarmingly. From 1970 to 1981 the insured loss per catastrophic event averaged \$84m (1992 prices). Between 1982 and 1991, however, the figure rose \$132.8m. Swiss Re concluded that economic factors were responsible for only a small proportion of the losses: GNP examine the causes of these increased by 85 per cent over trends and to develop effective

Others factors, including tha settlement and industrialisa-

tion of vulnerable areas and an increase in insurance density were no less important and may gain further significance. This applied especially to cli-matic conditions "since It appears quite likely that the loss surge is at least in part due to climatic change... Sigma says that its statistics

do not tell us precisely "how or why mankind aggravates catastrophe risks or allows them to become worse..." but that they "do clearly indicate that risks are increasing, they give us the urgent warning to

preventive strategies. Research by Munich Re has highlighted "already disturbing signs of the worldwide warming of the atmosphere". For example, 1990 was the warmest year since meteorological records began, and six of the last 10 years have seen global temperatures higher than all previous readings.

to point to a global rise in temperature of between 1.5 and 4.5 degrees by the end of the next century. Assuming that all the predicted effects of the man-made greenhouse effect become reality, just what will mankind be np against? Munich Re assumes the following line of development · A warmer atmosphere

quency and strength. More severe winter storms in Europe similar to those in late January and March 1990 Current information, seems which resulted in an insured

loss of DM17.3bn are feasible. Increased exposure to storm surges and flooding in low-lying, densely-populated regions such as Bangladesh, because of a 30cm-100cm rise in sea levels within 100 years. The jury has still not

reached its vertict on global warming. However, most of its members would probably supwould result in a greater port the view expressed by report that "reinsurers cannot afford to wait for scientists to provide evidence of how climatic change will influence natural events such as storm. hall and flooding and so on. Underwriting policy and commitment acceptance must be adjusted now to possible future developments.

But just how can the insurance and reinsurance industry cope with the increased loss potential of natural catastro-

Munich Re believes that industry can either adjust to the situation or minimise or prevent the effects and sugts a number of instruments that the risk community has at its disposal including: Charging premiums com-



Storm damage in Florida: a question of frequency

mensurate with risk, which would mean breaking down the product into its constituent parts and calculating the risk premium for each peril that could impact on an account. It should be kept in mind that historical return periods for these perils may well have been altered by global warming. The challenge for reinsurers is to provide cover at rates that not only reflect the past, but to set prices

which anticipate future loss. Substantial deductibles and insurance participation by the insured, Munich Re demonstrates the effectiveness of a deductible in lts study 1990 Winter Storms in Europe, illustrating how a deductible of DM500 on a German homeowners' comprehensive policy would have reduced aggregate insured losses by 30 per cent and the number of insured

• Liability limits per loss event or area with those liabilities rendered transparent by determining accumulation. Limits on cover or exclusions for certain hazards.

 Loss prevention through policyholder education about measures which may bring about a reduction in weather damage claims. Optimal loss settlement.

Munich Re maintains that the effects of climatic change need not have a negative impact as long as the above disciplines are introduced. However, clients of insurers and reinsurers would have to be aware of environmental changes to motivate them to take suitable countermeasures such as participation in the United Nations International Decade of Natural Disaster Reduction aimed at combating the increased danger of natural disasters or ratification of the World Climate Convention. □ Vannessa Young is a staff writer at the FT World Insur-

"The Intricacies

... of settling international securities transactions require dedicated professionals in the management of cross-border investments.".

At Deutsche Bank, our Custody Relationship Officers provide in-depth experience dealing with the details of local settlement, income collection and tax reclamation procedures. And they offer it to you, personally and in your language.

So why wait? Give us a call at (49) 69-9106 93 38 and ask for any of the many Relationship Officers that speak your language. Relationship Officers like Mrs. Hesse-Hunter or Mr. Harrold from the United Kingdom, Dr. Manoussos from Greece, Ms. Zimmermann from France, Mrs. Krafft or Ms. Pettinelli from Italy, Mrs. Eilberg or Mrs. Tamura-Leib from Japan, or Ms. Niemann from the United States. They speak your language, understand your needs, and

Deutsche Bank. Securities & Custody Services for a new financial world.

know the intricacies of your markets.

REINSURANCE COMPANY LTD

- Commenced Operations, November 1992 Initial Capital \$359 million
- Initial Public Offering, August 1993 Increasing Capital by \$325 million
- Capital & Surplus, August 1993 Excess of \$735 million
- Worldwide Reinsurance Business with Emphasis on Property Catastrophe Reinsurance
- Premiums written first 9 months Excess of \$245 million
- Mid Ocean Limited (Holding Company) Quoted on NASDAQ (symbol MOCNF)

ADDRESS

CORRESPONDENCE

LONDON CONTACT OFFICE

6TH FLOOR RICHMOND HOUSE 12 PAR-LA-VILLE ROAD HAMILTON HM08 BERMUDA

P.O. BOX HM 1066 HAMILTON HM EX BERMUDA

TEL: (809) 292-1358 FAX: (809) 292-0876 **ROOM 877** LLOYD'S BUILDING ONE LIME STREET LONDON EC3M 7HL ENGLAND

TEL: 071-327 4720 FAX: 071-327 4232

Deutsche Bank

Taunusanlage 12 - 60262 Frankfurt - Fed.: Rep. of Germany - Tel.: (49) 69-9100 Securities & Custody Services - Alfred-Herrhausen-Allee 16-24 - 65755 Eschborn, Fed. Rep. of Germany Tel.: (49) 69-91069338 · Fax: (49) 69-9106 9978 · Telex: 40751400

T A time when global reinsurance capacity has been contracting at record speed, in Latin America and the former Soviet bloc relaxation of state control over the insurance industry is eroding the domination of nationalised reinsurers

Most of Latin America. including the most attractive markets, is opening to foreign direct investment in insurance, as is central Europe, while most of eastern Europe has seen a rapid increase in new insurers with domestic or joint venture capital.

For the economies of Latin America, the 1980s was "The Lost Decade" afflicted by political instability, high inflation, capital flight and the burden of debt service, international financial institutions are now prepared to invest once again.

in the north. Mexico will become eveo more attractive with the passage of the North American Free Trade Agreement (NAFTA), while in the south economic integration is being fostered through Mercosur, the planned common market linking Argentina, Brazil, Paraguay and Uruguay.

Mercosur will eventually introduce freedom of insurance services, creating indigenous impetus for the dissolution of the still-monopolised Brazilian and Uruguayan reinsurance markets. Argentina has abolished its state reinsurance monopoly, as Chile did at the

beginning of the 1980s. Other measures of market deregulation have been implemented in, for example, Colombia and Peru, and also in Brazil, where last month a board for the first time made up of





expensive.

Subsidiaries of major west-

Allianz, Generali, AlG and

ern insurers or joint ventures

Alte Leipziger are among the

most active - can rely on their

parents and their existing rela-

tionships with leading reinsur-

ers. Others buy such protec-

tion as they can afford and run

the remainder on a net basis.

In Poland, which has a compar-

atively large number of small

insurers, co-insurance is devel-

oping, and a new local reinsurer is being formed by mar-

ket leader PZU, which is

is greatest in the former USSR.

The problem of reinsurance

awaiting privatisation.

As centralised control is swept away, Latin America and the ex-Soviet bloc become expanding markets, writes Trevor Petch

Crumbling monoliths offer new opportunities

professional insurers rather than purely political nominees was appointed to the monopoly IRB, in Venezuela, measures to open up the market have been delayed by political instability, Mr Egbert Willam, board member responsible for the region at Cologne Re, says that "As a reinsurer, we now have

many things we could wish for.

We think it represents an

opportunity for us.

A measure of the degree of underlying change is the fact that only two or three years ago Cologne Re was considering withdrawing from the region, but this December will establish a new operation in Buenos Aires to service the Southern Cone.

At the end of July, Transat-Reinsuraoce Co announced the formation of a new division in Miami to player in Latin America'

underwrite Latin American business. While the number of direct insurers operating will decline, those which remain will be financially stronger and technically more sophisticated and demanding, the divisional head Javier Vigil says. He adds that as a new entrant to the market unburdened by the effects of past losses, Transatlantic aims to be "a premier

beyond the year 2000. It is not a reinsurer's Eldorado, however. A prime concern is catastrophe exposure, particularly in the north which is subject both to earthquake and windstorm. In August last year, Cologne Re advised its clients that it would cease providing catastrophe cover on a proportional basis by 1997. "A non-proportional basis is the only reasonable way to rein-sure catastrophes." Mr Willam

Mr Georg Daschner, deputy executive manager with responsibility for the region at leading provider Munich Re. expresses similar concerns regarding catastrophe exposure and points out that deregulation does not bring automatic benefits

comments.

in Chile, when tariffs were freed along with the abolition of the reinsurance monopoly, many reinsurers only saw the fantastic statistics, thought the market must be sound, and offered high levels of capacity and commissions," be recalls. As competition, premium levels plummeted and fear of competition delayed the required underwriting adjustments.

Reinsurance market conditions are not conducive to an exact repetition of that scenario, but Mr Daschner warns

that the freeing of tariffs and controls on policy conditions has also led to a collapse in original premium levels in Colombia and Mexico, for exam-

The inadequacy of property insurance rates becomes particularly apparent, he adds, when the portion to cover earthquake is removed. "We need to separate this price out," he emphasises, so that a

Easing of state control is eroding the power of nationalised reinsurers

premlum commensurate with the risk can be obtained by

For the next renewals, Munich Re will demand additional measures to be taken to limit further accumulated liabilities from natural perils and to increase the respective reinsurance prices. The company will maintain its close but cautious relationship with the region, working together with those companies which it believes can underwrite on a proper technical basis and are interested in a long-term link,

Mr Daschner says. Eastern European state insurers always placed sub- Russia has well over 1,000 new

insurers, most of them already licensed, who are nowadays stantial volumes of marine and aviation business, as well as trying to cover their rouble hard currency property risks, in the international market. in reinsurance requirements on the local market. Ingosstrakh, much of both regions, there is the former Soviet hard cura shortage of experienced rency insurer, provides some, underwriting staff, the former as do the now emerging new because insurers were few, the local reinsurance companies latter because they were many hut effectively insulated from all over the country. technical decisions by set tar-

Cologne Re (which also owns iffs and compulsory cessions. 10 per cent of the largest Russian privately-owned insurer, in the past, developing insur-ASKO), and Munich Re also do ance markets with a shortage so selectively, although both are more active in providing of local capital such as eastern Europe have been able to rely the markets of the former upon proportional reinsurance USSR with scarce hard cursupport, now in short supply rency reinsurance. while non-proportional cover is

An area in which reinsurance support has had important local impact is in cover for motorists abroad. Uniquely in Europe, states of the former USSR (with the exception of Estonia) have no motor liability insurance legislation, and have been unable to join the Green Card system.

French market leader UAP reinsures Green Cards underwritten by PZU which are marketed by the state insurers of Russia, the Ukraine and Belarus, as well as by private sector insurers in Estonia. Last month UAP and its partners. together with Polish broker Grupa Polska, opened a motor

Chris Clark on liability for injuries caused by delayed-action pollution

Environmental time-bombs

A LOT attention is being paid to a series of judgments handed down hy the supreme judicial court in France, the Cour de Cassation, in December 1990.

In these, the court effectively outlawed "claims-made" policy wordings which liability insurers now rely upon to manage their exposure to claims from the past.

Under a claims-made policy, the policyholder is covered only for claims submitted during the policy period. Under earlier "occurrence based" policles, the cover remained open into the future for claims arising from events that occurred during the policy period, but whose consequences were discovered years later, such as asbestos bodily injury, latent defects in buildings and gradual pollution.

The claims-made form, as similar policy wordings based oo manifestation or discovery of harm, allow insurers and reinsurers much more control over the size of outstanding liabilities at the end of each underwriting year.

to 1990, the French court ruled, on the grounds of consumer protection, that sucb policy restrictions imposed an unfair burden on the insured and that, regardless of the wordings included in an insurauce contract, the policy bolder would be entitled to cover on the basis of the original act causing the harm ("fait generateur"), which insurers see as an even wider trigger than occurrence wordings.

Initially, French Insurers thought that the ruling was confined to a narrow class of business relating to the construction industry, but the court seems determined to apply its decision to all liabil-Ity insurance. To add to these worries, similar developments have since occurred in Belglum and Spain, the first under an article in a non-marine insurance contract law passed in June 1992, and the second following Spanish supreme court judgments in 1991 and 1992 concerning medical liability policies. In each case, claims-made policy wordings were deemed unfairly restric-

tive on the policyholder. Because of past experience with long-tail liabilities, most insurers today are unwilling to write liability insurance on an occurrence or similar basis. They simply do not know how to set realistic premiums for such wide exposure to unpredictable risks. These rulings therefore pose a fundamental threat.

There are some signs that regulatory authorities in Bel-

Ballantyne McKean & Sullivan Ltd

are pleased to announce the formation of:

BMS Re Ltd.

Specialising in all forms of International and

London Market Treaty Reinsurance business.

Principal Officers:

G.J. McKean - Chairman

H.C.L. Prior - Deputy Chairman

N.C. Frankland - Director

D.B. Horgan - Director

R.G. Horst - Director C.Simpson - Director

Latham House, 16 Minories, London EC3N 1AX and at Lloyd's

Tel 071 480 7288 Fax 071 867 8013

glum and Spain recognise that some extent holding their something needs to be done to stop liability insurance drying up altogether in their coun-tries, but both insurers and reinsurers remain extremely concerned about the French position, according to Mathlas

Schubert of Cologne Re. Everyone is boping that French legislators will do something to correct the situation. If they do not, there is a real danger of leading insurers and reinsurers pulling out of the French liability market, although ot present insurers are continuing to write claimsmade policies on the understanding that pollcyholders

Supreme Court rulings in France are having a profound impact

will not attempt to enforce the supreme court judgment. Juerg Spuehler of Swiss Re believes that much of the difficulty here is based on misunderstanding of the claims-made

principle. Far from penalising the insured, he argues, claimsmade wordings simply move claims to a different policy, which is in fact a more favourable one for the policyholder. Claims that, on an occurrence basis, would have had to

be attached to old policies, written many years in the past, under claims-made now trigger today's policy, which is likely to have much higher policy limits and is less likely to have been partially exhausted by previous claims for general liability or product liability

The insured therefore benefits, rather than suffers, under the claims-made form and Mr Spuehler feels that it is essential that insurers and reinsurers take the time to clarify this with regulators and others who

fail to appreciate it. Apart from this issue, environmental liability continues to worry almost everyone, in two forms: the overhang of exposure to claims from past pollution and the development of an effective insurance market for the future. On the historic backlog of pollution incidents, those who wrote general public liability policies over the last 30 years or so are to

ity insurance policies to see if they offer any cover, with a growing community of insurance "archaeology" companies on hand to help them.

breath.

So far, most of this has been taking place in North America, where US environmental regulation imposes strict, joint and several, and effectively retroac tive liability for problems like contaminated land and groundwater. Under a tidal wave of multi-million dollar claims, US courts separately in each state have a queue of legal cases outstanding in which insurance

companies are attempting to

resist claims for gradual, or

As governments progres

sively insist that such pollu-

tion is cleaned up, often to expensive standards, the par-

ties responsible for clean up

are digging out their old liabil

intentional, pollution. European policies have yet to come under this pressure, largely because policyholders have not yet had to pay out much on environmental clean up. Some policyholder lawyers believe that, as environmental regulations tighten, past policy wordings in Europe will be just as vulnerable to claims as their US counterparts. Other people foresee greater difficulties for policyholders here, because European courts tend to reach more restrictive judgments on

commercial law. With this past experience, many insurers want to have as little as possible to do with future environmental liability. From 1986, all pollution risks have been excluded from general liability policies in the US, while in Europe the partial, "sudden and accidental" exclusions have mostly been introduced more recently.

For wider cover, insurance market pools in France, the Netherlands, Italy and Denmark, and individual insurers elsewhere are offering speci-alised environmental impairment and other pollution liability policies (loosely known as EIL), which use claims-made wordings and require detailed site inspections before cover is

Chris Clarke is editor of FT Environmental Liability



FINANCIAL TIMES

NEWSLETTERS

FINANCIAL TIMES

THE NEW MONTHLY NEWSLETTER ON THE COMMERCIAL IMPLICATIONS OF ENVIRONMENTAL LIABILITY DEVELOPMENTS WORLDWIDE.

Each issue of Environmental Liability Report provides detailed information plus comment and analysis on a wide range of key issues including

legal precedents regulatory decisions

potential responsibility Recoverable costs

law and policy enforcement

information disclosure law suits law insurance

financial institutions of pollution costs & prevention

transactions & due diligence voluntary clean up

natural resource damage in risk reduction

joint compensation funds at toxic torts

PLEASE SEND ME A FREE SAMPLE OF ENVIRONMENTAL LIABILITY REPORT (NORMALLY AVAILABLE BY SUBSCRIPTION ONLY) BLOCK CAPITALS PLEASE Company Name Post code/Zip code Country Telephone Nature of Business

Simply post or fax a copy of this form to: Carolyn McNamara, ELR Marketing, Financial Times Newsletters, 126 Jermyn Street, London, SW1Y 4UJ, UK. Tel: +44 (0)71 411 4414. Fax: +44 (0)71 411 4415.

quality service to both clients and underwriters has been officially recognised after they were recently accredited under the international quality management standard ISO 9002.



78, Leadenhall Street, London, EC3A 3DH and at Lloyd's Telephone 071 626 1900 Facsimile 071 626 2311

GRAHAM BELL AND COMPANY LIMITED REINSURANCE BROKERS are pleased to announce that their commitment to





45

Photo is

The state of

11.00

- 74 B

- 17 E

2.44

10

1. 1. N

35

Financial products still sell despite tighter rules, writes Trevor Petch

The tax man cometh

WHILE demand for financial reinsurance is on the increase, there is also greater regulatory concern over how it is being

Lloyd's is currently attempting to ring-fence its old year liabilities in a specially created entity. NewCo. The exercise is like that of some financial reinsurance products, aiming to stabilise the effect on current trading and capital management of a past book of long tail business while making full use of the time value of money. The financial reinsurance jargon for this is obtaining "sur-

ous Fraud Office is examining the use by syndicates formerly managed by the Gooda Walkar agency of Time & Distance pol-icles (T&Ds), under which a predetermined set of payments exceeds premium paid. Formally accepted in the UK as a reinsurance policy, T&Ds are pure funding instruments whose main function, according to the Institute of Actuaries, "is to avoid admitting that reserves have been dis-

At the same time, the Seri-

The Inland Revenue permits T&D premiums as a tax deduction, but also insists that credit be taken for the full value of the policy immediately, creating an apparent (but taxable) current year profit.

The Inland Revenue bas bean suspicious of Lloyd's funds flowing offshore for over a decade since it put a stop to "rollovers", reinsurance policies on which one year's premium was the previous year's profit commission. This enabled tax free funds to be built up offshore.

This is also the main aim of financial reinsurance, according to an Inland Revenue/Department of Trade & Industry (DTI) discussion paper on equalisation reserves published last month, this time achieved by "somewhat artificial transactions to exploit loopholes in

the accounting conventions". Prudential concerns like those concerning T&Ds are also apparent: assets are transferred bayond local jurisdiction, and there is a risk of distortion in insurers' financial Statements

At its simplest, financial (or 'finite risk") reinsurance is a T&D with timing risk. Loss Portfolio Transfers (LPTs) enable an insurer to book a current credit while reinsuring a hlock of old business. For the reinsurer, they are almost riskfree, and they can be structured to operate much like a rollover. LPTs may be useful in managing the run-off of a discontinued account, but were also a popular method for US insurers to obtain "surplus relief", causing regulatory concern that a precarious financial

position was being disguised. Prospective Aggregata Covers (PACs) are similar, but apply to business yet to be written. These and the more

Low risk deals should be accounted for by "economic substance"

sophisticated spread loss contracts are intended to provide continuity of cover at a predetermined price. A further development is experienca funded accounts, where the reinsured has access to an agreed credit as well as the current balance in the "experience account" which records the progress of the contract. Spread loss and experience

funded contracts have become

increasingly common in Lon-

don, creating legitimate con-

cerns by regulators about off balance sheet underwriting losses. In April 1991, the DTI reminded UK insurers that the Association of British Insurers Statement of Recommended Practice indicated that reinsurance deals where risk transfer was not significant should be

accounted according to "eco-

nomic substance". The Accounting Standards Board is considering a regulation which would strengthen this requirement (similar to the rule in Australie), an apparent death sentence for the T&D and transactions

with potential implications for more sophisticated covers. UK insurers must also record negativa experianca eccount balances as liabilities in their 1992

returns. The EC Insurance Accounts Directive may help to clarify some of these issues by outlawing implicit discounting, requiring separate identification of reinsurance, assets and liabilities to be stated gross. and limitation of provisions to "necessary" level. US prudential concerns are

identical to those in Europe. At

the end of 1992, the Financial

Accounting Standards Board (FASB) released FASB standard 113, addressing transfer of risk among other reinsurance issues. This required liabilities to be stated gross, reinsurance recoverables to be treated as assets, reinsurance transactions of which the substance is not provision of an indemnity (based on considerations such as risk transfer and the reinsurer's risk of loss) to be accounted as a deposit, and enforced separate accounting of provisions for the prospective and retrospective elements of hybrid covers.

Most importantly, it forbade immediate recognition of a gain or loss from any retrospective contract, which must now be spread over the term of the policy: More recently, FASB, through its Emerging Issues Task Force (EITF), issued new accounting rules affecting "multiple-year retrospectively rated reinsurance contracts". These require ceding companies to record experience account balances on such contracts as assets or (wben negative) liabilities.

The ETTF acted in response to concern by the Securities and Exchange Commission (SEC) that following Hurri-canes Andrew and Iniki, insurers may have placed underwriting losses off balance sheet by not recording negative experienca account balances in so-called funded catastrophe covers.

One company which has restated its 1992 results to take

aimed at "surplus relief", and account of the task force's recommendations is Phoenix Re, which had a funded catastrophs cover with USF&G. As a result, its 1992 operating loss increased from \$50,000 to \$3.68m. and its net premium

> "The EITF conclusions eliminate many of the GAAP advantages of funding property catastrophe losses through multi-year contracts, says Mr Dan Marren, president and chief executive officer of Commercial Risk Re-Insurance Co, the financial reinsurance subsidiary of French reinsurer SCOR. "For property catastrophes, the incurred event becomes known and losses are paid quickly, so there is no avoiding the asset or liability issue," he adds.

Specialist financial reinsurers are seeking new kinds of business

Howaver, Mr Marren helieves that multi-year arrangements continue to be attractive for long tail casualty business, for which losses are accrued on an incurred but not reported (IBNR) basis and there is considerable uncertainty in the estimates. According to Mr Marren, "for casualty lines, shared risk programmes provide an effective means to protect against adversa loss development while allowing companies to henefit from favourable development". Funded catastrophe covers.

however, bave been written less by specialist financial reinsurers than by traditional reinsurers seeking new kinds of business. Three years ago, Ms Maralyn Fichte, now vice president, insurance derivatives, at Banker's Trust, criticised "the bandwagon of funded catastrophe reinsurance". While buyers might use it on an opportunistic basis, adoption by reinsurers of credit risk, sometimes with automatic reinstatements doubling the exposure, "could lead to a disaster." she

Profile: how Centre Re acquired its dynamic reputation

Unorthodox duo's initiative

CENTRE RE has grown apace in 1993. The initial public offering in the US in the spring and the new plans to launch a new catastrophe reinsurer in Bermuda in the summer have underlined its reputation as one of the world's most income fell hy 10.9 per cent to dynamic reinsurance compa-

The Bermuda-based company, controlled by Zurich insurance, has shown an impressive record of growth and profitability since its launch from scratch in 1988. Premium income has increased from just \$268m in 1989 to an estimated \$1.1bn in 1992. Profits amounted to \$65.9m in 1992. a 37 per cent increase compared with 1991, and representing a return on equity of 12.7 per ceot, and by mid-1993 the combined assets of the group amounted to \$4.5bn.

Since its initial capitalisation of \$250m in 1988, assets have risen on average by 63 per cent a year. But it is not just the speed and scale of growth that marks off Centre Re from many of its competitors.

The company's founders Mr Stephen Gluckstern, the chairman of Centre Re Hold-ings, and Michael Palm, the executive vice-president who beads up the Bermuda operations - are both in their early 40s and had had no experience in the reinsurance industry before launching Centre Re. Indeed their beckgrounds are even more unorthodox that that. Both men have liberal arts backgrounds Palm did academic research in English Literature, specialising in the work of the American poet Wallace Stevens, while Gluckstern is an educa-

of children to learn. They met for the first time in 1976 - teaching English in pre-revolutionary Iran. Ten years later - after business school and beginning banking careers - the two teamed up again, at the Philadelphia offices of Berkshire Hathaway, the US investment group led hy Warren Buffet

tionalist who researched pre-

school influences on the ability

influenced by the climate of innovation in US finance during the 1980s, they saw reinsurance as an underdeveloped part of the financial markets rice for new ideas. "We wanted



Michael Pelm: a background in English literature

to take a more heavily financial approach to insurance, explains Palm. "This was a sector with very substantial casb flows which ought to have the same kind of stability and product sophistication as is found in other financial ser-

"We wanted to focus on stability and long-term relationships instead of cyclicality and ups and downs in pricing," says Palm. The two men thought the answer lay to

The two founders, both still in their 40s. first met

some extent in a new kind of reinsurance contract. "We wanted to find an intersection between highly leveraged and highly risk exposed business and what had been called financial reinsurance - closer to a banking or funding deal than a traditional reinsurance contract," he adds, "We wanted to take a multi-year pproach to insurance costs, taking volatility out of year to year deals."

The result was what Palm admits was seen as a very ambitious effort to raise \$250m to support a new reinsurer. Backing came from Kemper Re, a US reinsurer, Marsh McLennan, the world's biggest insurance broker, JP Morgan, the mercbant bank, and, in particular, Zurich Insurance, which has subsequently become a majority sharebolder.

Launched in 1988, Centre Re

began by specialising in what Palm calls "retrospective" financial rainsurance deals covering what is known as "timing" and "interest rete risks" - the possibility that claims may emerge faster than expected on a book of liability business, or that trends in interest rates may reduce the value of funds available to meet known claims.

Stechen Gluckstern: a researcher

into child learning proces

Palm and Gluckstern decided to locate in Bermuda because the territory's regulators allow

while teaching English in pre-revolutionary Iran

its insurers to count future investment income as part of its funds to meet claims, essentially permitting companies to discount their reserves.

"The US regulatory environment introduces many inefficiencies," explains Palm, "Our goal to concentrate on the economics of a transaction not to do business when they didn't maka sense." The regulatory framework also helped Centre Re contain its costs, "We don't need to get authorisation for each separate line of business which we underwrite. We can move more quickly than our competitors," he explains.

Over the past five years the nature of business has changed, with the group beginning to concentrate on more typical reinsurance risks. In 1992 only 10 per cent of reinsurance contracts underwritten by Centre Re are now "retrospective", compared with 100

be accentuated by changes in US accounting rules in early 1993, which remove some of the advantages for ceding insurers of using financial reinsurance deals. Meanwhile, Centre Re's commitment to compete in more orthodox markets has been underlined by a decision to start a new catas-

trophe reinsurance company. Even so, despite the changed focus, several aspects of the company's strategy and style are likely to remain distinctive. The way that Centre Re analyses risks and underwrites its policies marks it off from some companies in the industry, for example. Its staff of just over 100 includesat least 30 actuaries, who are adept at using mathematical models to assess risk. Barely concealing his contempt for some of the underwriting practices of the Lloyd's market in the late 1980s Palm says: "We don't believe in subjective underwriting where you guess what the range is in which losses might fall."

He insists that the company is conservative in its analysis and pricing of risks. "The history of the industry shows that the successful people have taken a very conservative view. Things tend to turn out worse." By underwriting in this fashion Centre Re is able to assume more risk on its own books and therefore has more influence in the marketplace. You don't want to be a follower. It tends to underwrite "lines" or shares of individual risks of at least 50 per cent.

Centre Re also tends to favour longer-term relationships with its clients with contracts stretching on average for between three and five years. In 1992 the company underwrote just 175 contracts, each of which had an average reinsurance premium of \$25m. These factors tend to mean that retention rates are higher and costs are lower.

Above all Palm remains confident and observes that the reinsurance industry as a whole seems to be following in Centre Re's footstens with hetter pricing and terms in the market increasingly controlled by the industry's financially stronger companies.

Richard Lapper

To advise and to guide

Brokers are being pushed in new directions, says Lee Coppack

THE reinsurance hroker is Tim Dawson at Lehman hased international reinsurget all the capacity they want becoming less a clearing house Brothers in London. "The ance hroker, the Benfield from their traditional sources." more a professional adviser active in the development of

Clients demand more evidence of the hroker's value than a promise to improve on the rates, though the ability to find capacity at a reasonable price remains important.

In a market where capacity is tight and solvency is a key issue, the broker can provide a real service to the ceding insurer and also to the reinsurer who is looking for catastrophe protection of its book. Those who do not are likely to find their business dwindling in the face of competitive pres-

Brokers compete with reinsurers for business. Ceding insurers do not have to use a broker; traditionally the professional reinsurance companies, mainly based in continental Europe, have written most of their business directly. One of the main reasons has been their close relationship with their domestic, direct insurance market.
Dieter Losse, chairman and

ು ಕೊಂದ ಚನ್ನಾಗಿ

\$22 C.

1867.3210 11575

consense distribution

The Grant Committee of the SIT UP

CX 182 - 11.15

73.03000

chief executive of the respected international reinsurance broker Greig Fester, said: "The serious brokers are all clear that they can only justify their position in the chain if they are genuinely adding value."

In territories, such as the UK which are broker markets, the reinsurers have been happy to take business from brokers with the proviso that the broker must not block the relationship between the direct insurer and the reinsurer. Reinsurers are increasingly insisting on knowing just what risks they are taking. Cedants have to submit to scrutiny or they find themselves short of reinsurance, according to European insurance analyst ways. Reinsurers can pick and choose from which insurers they want to accept business."

Michael White, deputy chairman of international reinsurance et Willis Corroon, also says that over the last two or three years hrokers have had to spend far more tima on renewal analysing the business and objectives of the cedant and discussing the best approaches to the business. Clients and potential cliants demand more evidence of the

for capital and capacity and flight to quality works both Group. Since 1988, Greig Fes-reinsurers. ter's turnover has risen from £16.3m to £42.8m at the end of 1992. Benfiald, which is an excess of loss specialist, nearly tripled Its turnover between 1990 and June 1992 with a rise from £13.8m to £39.8m.

Benfield, under its chairman Matthew Harding, plays an active role in developing the excess of loss market since the demise of the notorious LMX, or London market spiral. For example, it insists that the ceding insurer takes a co-insurance of at least 10 perent of broker's value than a promise

Clients are now demanding a lot more of brokers than merely to obtain better rates

to improve on the rates. One way that brokers hava been enhancing their value to cedants has been through the development of research and analytical tools to help them understand the implications of what they have been writing in terms of catastrophe axposures, the geographical spread of their book in terms of per-

ceived natural hazards. Explained Dieter Losse: "The broker is in a unique position to help the insurer understand tha nature of their exposures from the reinsurance perspec tive, particularly in a hard market, and advise on a range of options."

In addition to preparing and placing programmes, brokers may handle claims and help prapare documentation in responsa to tha reinsurers' requirements for increased information. They also monitor the solvency of reinsurers and reinsurance markets.

The need for specialist skills is increasing reflected in the results of firms such as Greig Fester and another London

any programme. In this way, Matthew Harding believes, the direct insurer retains an interest in keeping claims down. which in turn pleases the reinsurer and promotes a good, long term relationship.

kers distancing themselvas from underwriting activities. Benfield bas now announced that, subject to approval from the Department of Trade and Industry. It will set up a UK based excess of loss reinsurer.

applies to its brokered programmes will be e fundamental part of the new company's underwriting policy.

And against the trend of bro-

The new company will have fully paid up capital of 250m (\$75m) and is intended to begin underwriting effect from January 1, 1994. No other details have yet been released, but it seems almost certain that the co-insurance principle that Benfield

Direct insurers also look to their reinsurance brokers to help in analysing security, particularly in a hard market when they may not be able to writer and analyst

Solvancy is a considerable worry, following the collapse of once important London market firms and problems in the Scandinavian markat. New capital has been coming into the reinsurance market, hut its willingness to provide continu-

ity is untested. Faced with an insolvent rein-surer, the broker not only has an unhappy chent, for whom finding replacement cover may be difficult in a hard market, but it also faces an administra-tive headache. The London market system of "net accounting", which is highly convenient when all the parties are solvent, is a source of major problems for the broker if one

of them fails. Leading insolvency counsel Gabriel Moss QC explains that typically the broker acts as a "clearing house" for payments between insurers and reinsur-

However, in an insolveocy. only the principals to the contract, the insurer and reinsurer, are permitted to set-off the amounts thay have out-standing with each other. The broker's standing effectively

Increased expectations from clients coupled with competition for scarce reinsurance capacity is putting pressure on the skills of brokers and fur-ther rationalisation is likely in the London market. Although there is no register of reinsurance brokers as such, the fall in the number of Lloyd's brokers to 218 with 42 resignations and only five admissions last year is likely to indicate the trend. Those who can offer the expertise will play an essential role maintaining the reinsurance market.

☐ Lee Coppack is an insurance



and the same

Bárclays de Zoete Wedd scied as financial adviser in the purchase of 30.5 million Skandia Group. Försäking AB shares for SEK 3.14 billion.



Barclays de Zoete Wedd acted as financial adviser to GRE Group in the sale of its Spanish operations to Group AMA... April 1993

BZW: Integrated capabilities for complex needs of insurers.



Barclays de Zoete Wedd acted as lead manager to Confederation Life in the issue of £100 million subordinated notes.

acted as lead manager to Royal Insurance Holdings Pic in the issue of £76'. million convertible subordinated bonds

February 1993



Barclays de Zoete Wedd



Münchener Rück Munich Re

Life becomes more complex, says Norma Cohen

Aware of the risks

traditionally been the tow-risk. low-margin end of the business tacked oo to a much larger and more profitable general reinsurance capacity,

But staggering losses in some business classes, including usually safe areas such as home and auto reinsurance, are causing a re-think about the merits of life cover for the reinsurance business.

Mr Roger Sansome, director of long-term business at Mercantile and General, a subsidiary of Prudential plc and the UK's largest life reinsurance underwriter, said that 10 years ago only a third of M&G's business was life reinsurance. Now, life reinsurance is two-thirds of the total and that could go as high as 75 per cent.

"If you get the market right, you should be able to make a better profit out of the con-life business because it's more volatile. The life business is less so and the profits are lower.

But because risks are fairly predictable in pure life cover, reinsurers are able to estimate the incidence of future claims and to price products appropri-

Indeed, the great shudder which ran through the life reinsurance industry in the late 1980s, when the Aids virus first posed a threat to existing actuarial calculations, has now proved to be somewhat overblown. The incidence of Aids among Britain's insured population has turned out to be at the lowest end of estimates prepared by the Institute of Actuaries and both premium rates and reinsurance rates have eased in the past year.

Mr Wayne Daniel, product development actuary at M&G, said that al his company the premium rate to guarantee a £50,000 sum assured for a 30 year-old man nearly doubled in three years to reflect the increased risk of Aids. In August 1987, that man would have had to pay monthly pre-miums of £7.30 bul by April 1990 that had risen to £14.55. But the lower than expected rate of Aids has pushed premium rates down to £12,90 in April 1993 and there may be scope for further premium

However, pure life cover, the core of the business, is increasingly taking a back seat to the higher risk but potentially more lucrative market of "living risks". "We think the growth is in all the areas where people can claim while they are still alive." Mr Sansome said, noting that the pace of expansion in these types of policies now outstrips that of

straight death cover. That view is echoed by Mr Jonathan Ludbrooke, assistant general manager at Municb Reinsurance which holds roughly 25 per cent of the UK's life reinsurance market. "For years the reinsurers have been banging the drum and saying to the life insurers that protection products are the way to go. Now, the direct insurers are getting the message," he

The greatest growth areas for life reinsurers are critical illness policies, private medical

The initial shudder about the rapid spread of Aids has proved exaggerated

insurance coverage and long-term care policies for the

"The state would like to withdraw from provision of benefits and the insurers for the most part are happy to take up the role," Mr Ludbrooke said.

But selling these products to a wide portion of the population remains problematic. "Long term care in particular is a hard sell," Mr Sansome sald. "We did some market research and found the demand was there until the price was mentioned."

The challenge for the life underwriters and their reinsurers is to find a way to convince the public to buy an expensive product that they still believe is a luxury and not a necessity. "What is needed are tax breaks and there are no tax breaks although the industry is working on it," Mr Lud-

brooke sald. For the reinsurers, one big difficulty remains assessing risk and setting premiums. Since so many life offices rely on the reinsurers to set the rates for them, the reinsurers are now in the position of having to conduct sufficient

research to enable them to price products appropriately.

"There is almost no data on which to base your premiums," Mr Ludbrooke said. The existing information on, say, critical illness experience, covers the general population at large and is often too old or too limited to be of much use. There are substantial statistical variations in life expectancy and healthiness between non-insureds - who tend to be the unemployed and less well-off -

and the insured population. Reinsurers believe that one of the best things which could happen to non-death cover is that some of the nation's largest employers begin bolting on to their pension plans options for that sort of provision. That would give reinsurers the necessary data base to help them consider likely loss experience and get the public acquainted with the merits of products

such as critical care cover. Mr Ludbrooke suggests that leading schemes might wish to offer their members an option of receiving a lower rate of ension while they are healthy with a guarantee of critical care cover if they become ill. The willingness of pension schemes to be more creative in their benefit offers would create a pool by which underwrit-

ers could judge loss experience. A 70 year-old seeking, say, a critical care or PHI policy, is a difficult customer, Although the potential policyholder may have been subject to a full medical examination, insurers do not know how to assess the findings. "Is what the doctors have found comparable to what is normal in a 70-year old?" Mr Sansome said. "We don't know because we don't know what is comparable in a 70 year-old."

Meanwhile, the data so far suggest that, if anything, reinsurers and direct insurers are underpricing their Permanent Health Insurance products as well as their long-term and critical illness care products. "We have wanted to raise our PHI rates," Mr Sansome said, noting that stiff competition was preventing M&G, the market leader in reinsuring that product, from doing so. "Il's nol a market where you can dictate prices because there are other competitors."

BERMUDA, home of some of

the world's fastest growing and innovative reinsurance companies, has benefited from a flood of new interest this More than half a dozen new reinsurance initiatives have been launched, bringing more than \$1 bn in fresh capital to the island and consolidating its reputation as the world's

> reinsurance centre. Until this year Bermuda was known as a centre for captive insurers and more recently for highly specialised reinsurers which offer high-level liability

biggest offshore insurance and

Centre Re, the biggest of Bermuda's reinsurance compa-nies with assets of \$2.9bn, has pioneered so-called finite risk transactions, while ACE and XL insure large - mainly US corporations against legal awards.

In June, American International Group, one of the world's biggest insurers, reinforced this trend by spon-soring the formation of a new excess liability company, Starr Excess Liability Insurance. Other backers include General Re. Munich Re. Primamerica and Aon Corporation.

However, most attention has focused recently on the catastropbe reinsnrance market, with Bermuda bosting a number of significant new initiatives by North American insurere and financiers. Attracted by the recent strength in reinsurance rates and prospect of attractive profits, Marsh McLennan, the world's biggest insurance broker, and JP Morgan, the US bank, sponsored the formation last autumn of Mid-Ocean, a new \$350m reinsurance com-

The company began underwriting in January and in the summer announced plans to go public in the US with an initial public offering expected to raise nearly \$250m.

In the last six months five similar ventures bave been

 American International Group announced it was setting up a property catastrophe reinsurer, International Property Catastrophe Reinsprance Co. which aims to provide excess of loss treaty reinsur-

Bermuda is the world's fastest growing offshore centre, writes Richard Lapper

Magnetic island in the sun



Bermuda's tashionable resort of Tucker's Town: an idylic place for handling offshore financial matters

ance for personal and commer cial risks. AIG has a 24.4 per cent stake in the \$300m company which will also underwrite retrocessional husiness for other reinsurers and also some non-catastrophe husi-

 Investors including General Re, the biggest US reinsurance company, and AIG have raised \$500m to support Tempest Reinsurance, which is expected to begin underwriting in

 Goldman Sachs, the securities house, and Johnson & Higgins, the insurance broker, are organising another company,

Bermuda has recently hosted a series of new North American initiatives on catastrophe reinsurance

Global Capital Reinsurance, which is expected to bave some \$300m in capital, investors include Underwriters Re Holdings Corporation. Investors including War-

burg, Pincus Investors, General Electric Pension Trust, Investment Private Placement Partners and USF&G, the US insurance company, are raising \$140m to invest in Renaissance Reinsurance. It plans to underwrite property and short-tail casualty insurance, BERMUDA'S BIG INSURERS

Net	insurance	premiums	written	In	1992
Centre Re			1	,100.	.0
American	International			850.	0
Excel				434.	5
ACE				325	4
OIL				187.	6
Mid Ocean	ı Re			130.	0
Mutual Ris	sk Managemen	t		82.2	2
Heddingto	n Insurance			74.0)
					Saur

arning more than 60 per cent of an expected \$100m a year in premiums from the US market. Centre Re itself bas formed a Bermnda-based shell company, Centre Cat, which will also underwrite catastrophe

 Separately, General Re is opening a wholly-owned underwriting management company, to help meet grow-ing demand for back office ser-

vices on the island. Two obvious attractions are Bermnda's tax regime (companies pay no income or corporation tax and can build up taxfree reserves allowing them to build up much stronger financial strength to meet large scale claims) and its benign

regulatory environment. Bermudian companies are able to avoid the very high so-called "frictional" costs, which are typical of a market - such as London - in which dozens, of relatively small insurers and brokers combine to insure and reinsure large

They tend to conduct a small number of high-value transactions, transferring buge blocks of risk on to their own books in exchange for multi-million dollar premiums.

Already there are signs that the amount of fresh capital in Bermuda is having an impact on rates and terms and conditions on international markets. One prominent London underwriter estimates that capacity for leading US buyers has risen from around \$120m per event to \$150m per event in recent months.

So far, however, there is little sign that Bermudian underwriters are winning market sbare at the expense of established marketplaces in the North America and Europe, either by offering cheaper policles or better security. Mid-Ocean, the most active Bermudian catastrophe reinsurer at present, generally underwrites portions of reinsurance programmes, in which prices and conditions are set by so-called lead" underwriters in

وروز از هندور ارونونداری ایکاریترنسوریایی

Lloyd's. The new companies look set to follow suit. Mr James Stanard, chief executive of Renaissance, says: "Much of our business will be participations on catastrophe programmes led by recognised lead underwrit-

Although there is concern among some US reinsurance buyers about the quality of security in the London market and particularly at Lloyd's. other buyers - especially from Europe and South Africa - are equally sceptical about the durability of Bermudian companies and are particularly mindful of the problems experienced by many Bermndian companies in the mid-1980s.

Industry leaders such as Mr Michael Butt, the chief executive of Mid-Ocean, insist that the Bermudian market "complemants" rather than competes with London. Indeed in some other ways the Bermudian market has recently provided direct support for Lloyd's underwriters. Underwriters Capital (Merrett), pany, was formed with the specific purpose of providing quota share reinsurance to the syndicates of the Merrett Group, for example.

Centre Re agreed at the end of last year to back a multi-million pound reinsurance scheme, which will allow Lloyd's Names to obtain stoploss, or personal, reinsurance. And Centre Re also provides dozens of financial reinsurance policies - called "time and distance" policies - which allow Lloyd's syndicates to manage their reserves more flexibly.

However, as the Bermudian market develops and the confidence of bnyers increases, local Rermodian underwriters may begin to seek to lead busi-

One prominent London underwriter predicts this could happen in the 1995 are already using Bermada as a stick to beat us over the head," he says.



With 5 billion FRF of net assets, 18 billion FRF of technical reserves, a 60 % solvency margin and 20 subsidiaries and offices operating in the main markets, the SCOR Group is a leading player in international reinsurance.

- specialist teams successfully buildingclose relationships with slock and mutual insurance companies to better anticipate their needs,
- · qualified engineers, disposing of the necessary capacities, to assess and underwrite the most complex technical risks,
- · actuaries, medical doctors and Life Insurance experts, to provide solutions to the new and challenging problems of demographic change.



The Insurer's Insurer

Isn't it reassuring to know we're specialists in serving reinsurers.

Catastrophe losses, shortage of capacity, insolvencies; each adding to the growing number of challenges faced by the reinsurance industry in an incraasingly volatile and turbuleni market place.

Thankfully there is one thing you can raly on - KPMG, a worldwide firm offering a range of services from strategic reviews to detailed implementation across many specialisms, including financial consultancy, tax planning and human resources.

In the EC alone our client list includes more than a quarter of the lop 100 insurers and reinsurers.

KPMG has just the expert you need, be it actuary, tax specialisi, managemeni consultant or accountant with the relevant expertise and experience to help you find practical solutions in your market place.

For further information about our services in Europe or indeed worldwide, please contact Alistair Johnston in London on 44 71 236 8000.



ONDAY SEPTEMBER

Standard Market Market

The second of th the Lorent to the late of the 16 h. a - 1. If it Principle of the princi

and the same of the same of The Alexander

(1 (1 (1) (1

16 19 24

 $\overline{\pi}:=\{2,2,2\}$

C. ASINT -

....

- 1. Di. 15-9

2 82 V-7001 044.5-

in the Land

1000 1 1000 15

7.5

1941 A.T. 200

finance.

alizer that Lord to be Cappe . 27.Con= 7(27.10 Capital Mark Line Bertale 5---- " - 1: Del 18: 1127-1286 (1 PR)

130 1777 7204 A but a . AKE, the United States

Pitta ... He - Ac Secretary! A PAGE L LDY turne. 11772 ま きなかたし district. 25479.0 22.75 14 (S)

स्वरूप 🚧 . 4. M/G. Branch. Es

FT MANAGED FUNDS SERVICE

FINANCIAL TIMES MO	NDAY SEPTEMBER 6 1993						27
• FT Cityline Unit Trust Prices: dial (0891	or 0336 } 430000, enter 4 and key in the five o	Ight code listed below. Calls are charge	MANAGED FU	JNDS SERVICE	available by subscription only. For mon	e details call the FT Cityline Help Desk or	(071) 873 4378.
AUTHORISED UNIT TRUSTS	Total Shipley UT Magaza (190m)	Chique Price Price Price Gris Line	Charge Price Price On's Like	Chargo Price Price Price Grs Line	Chape Price Mos Mos Brs Line	Cargo Priça Prica Prica Aris Lian	Charge Price Price Price G
bill Came bid Other Treat Chy. In Charge Article Article Office Chys. Article Article Office Chies Exp.	Court Shighey (IT Margers (1000))	The Ministry of the 1 (1900) F Continuing (13.7) To (1902) F (1902) Continuing (13.7) To (13.7) T	### Charles	politer Mearlin Linit Test Maren Led (19905) Marenti Vicentesseen, Lamente 1997 (ME 1971 - 1972 1972 1973 1974 1974 1974 1974 1974 1974 1974 1974	(e Manageurent Ltd (1000)F (421) 3 Weg, Soverage Desire; 2003–747414 45 Ga 2003–74741 47 Ga 1203–1203 193.0 8.22 4835 193.0 8.22 4835 193.4	neal Provident lev Algrs Ltd (1400H Roth codures & EEP 3H 17-621 4200 max in attack Ace 9 .54 (112.00 112.00 12.00 13.00 1400 UK Max max for 9 .54 (112.00 112.00 113.00 1400 UK Max max for 9 .54 (100 15) 97.10 130.0 1400 UK Max max for .54 (100 15) 97.10 130.0 1400 UK Max max for .54 (100 15) 97.10 130.0 140 140 UK Max max for .54 (100 15) 97.10 130.0 140 140 140 UK Max max for .54 (100 15) 97.10 130.0 140 140 140 140 140 140 140 140 140 14	schild Fund Management - Could.
an visit (1907) Harridge Ca Limited (1000); For the brown in Justice, Market Ute 187 (1995) 259785 GB (1000) 4 (1000) 1	mecha 5 141,8 141,8 150,8 274, min William 9 MARKET 150,8 274, min William 9 MARKET 150,8 274, min William 9 MARKET 150,8 274, min William 150,8 44,4 44,4 40,7 0,5 45,4 150,8	Acc 5 173.5 176.5 187.5 5.71 city UK 59 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 2008 214.30 24.30 2.15 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	mercan Gap 3 1913 1913 1743 45 Mars Garent D mars Gap 15 1915 1915 1743 45 Mars Garent D mars Gap 1747 1294 47 1924 177 425 Mars Garent D mars	5-14 208.9 270 4 255.0 1.18 (2011 197 F) 1625	Earl Age \$4.56 185.18 184.7 178.2 0.00 4785 Japan 185.28	54 85.81 25.89 90.40 54 77.00 77.08 81.78
E Unit Trust Managers Limited (1000): Series Released the Laprice, Market US 187 1995 259783 Ga 5 Security 1995 259783 Ga 6 Security 1997 259783 Ga	Grandin 4	And Chrys 26 75 ct 2 40.22 at 155 152 165 175 175 175 175 175 175 175 175 175 17	100 100 100 100 100 100 100 100 100 100	#### 071-466 73\$4 Almis 071-866 6969 (######	Speccer Unit Trust List (1200)F	Acc	ped
ASS. 1 450.5 486.5 486.5 486.5 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6 486.6 566.6	where Cop Acc		The Process (No. 2) (40.27 (50.27 (50.22 (1.02 (50.20 (50.	20 Court 150 54 04 54 04 05 04 04 00 00 677 00 Accument United 552 75.55 75.55 07.55 0	0, Chemite X, C1600 6036. 1, 165.22 145.77 186.8 1.88 1655 1865 1871 1871 1871 1871 1871 1871 1871 187	CON MORNINGER OF MINDLE (150A).	94,56 55.22 51.00 52.45 4. 54 54.02 74.50 75.45 54 65.9 59.91 94.64 1 Life Fd Mignat Ltd (1000)F 14.9 Penromanyan FZ OLE Prices.0733 14.9 Gran 30000 Daning 673
Access on Access of 1996 1868 187 p 100 mm 1	ATT THE MAINING MAININ	5 3617 3617 1517 1 151 1 151 1 151 1 151 1 151 1 151 1 151 1 151 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	om betroom 85 99 34 87,97 m4.11 - 4827 70 70 70 70 70 70 70 70 70 70 70 70 70	max Treads at Countre 512 54 89 54 944 59 40 10 10 10 10 10 10 10 10 10 10 10 10 10 1	10	19 19 19 19 19 19 19 19	States
Federals Re. 8 73-05 76.44 79.20 4.23 666 inc.		Con 6 215.3 27.5 229.5 1,00 4023 Index	mitrous	The American	54 152 152 152 152 152 153 153 153 153 153 153 153 153 153 153	Panda Acc. 1-14 \$2.54 \$5.00 \$6.02 \$0.5 \$1.50 \$1.	See, 973 30000 States St
Company 134 and 154 an	Francis	COL	Semanus S. 127 S	seni	Fund Stampoen Let (1000H Like Stampoen Let (1000H Like Stampoen Let (1000H Like Stampoen Let	Fig. 10	ms
# Profito	1-902 2876 Central Ct. N	(1000) 1000	pilitides	ner Accom	1 Cap		pri
10 10 10 10 10 10 10 10	- 102 B176 168 088 168 080 28082 18882 169 188	nar mér issisitas ra (1000). 8000	Figure 19th 75d Mages Ltd (0005)F 507 505 507 505 507 507 507 507 507 507	Charling Services 15 16 16 16 16 16 16 16	Fund Blambgers Left (1600)H Blam St, E.D. (67 – 280 200) (III. Children St, E.D. (17 – 280 200) (III. Children St, E.D. (18 – 280 200)	a Vicini SI, Loody Low All Same (1900 4900) Solved SDB	General 5 2222 222 273 1 General 5 2222 273 1 General 5 6 2222 273 1 General 5 6 6 6 6 6 6 6 6 6
Temporal Coll 6 124.6 124.6 133.2 IX 6 124.6 124.6 133.2 IX 6 124.6 133.2 IX 6 124.6 124.6 133.2 IX 6 124.	Capital Crisvin		To the state of th	mart 5-16m; pag (h) 9 (b) 5-15 6-57 6 (2.12) 1.18 (4.05) 4 (2.12)	1	124, Surrey Street, Novincia 0,000 05;2234 Square 176,000 176,	1100 1100 125.9 0 1AGC 5 110.0 110.0 125.9 0 1AGC 127.4 101.4 125.5 0 1AGC 127.4 101.4 125.5 0 1AGC 127.4 10 127.4 10 1AGC 110-1).5 411.3 411.3 425.2 0 1A 400 1AGC 137.0 372.
Trace of United Traces Management Line (1800)F inhibiting 8:617-250 (0753 inhibiting 8:617-250 (0753 inhibiting 8:618-250 (0753 inhibiting 8:618-250 (0753 inhibiting 8:618-250 i	Special Size 177.60 148.40 1.16 148.50 127.60 148.40 1.16 148.50 148.50 148.70 1.10 148.50 148.50 148.70 1.10 148.50 148.50 148.70 1.10 148.50 148.70 1.10 148.50 148.50 148.70 1.10 148.50 148.50 148.70 1.10 148.50 148.	Thrit, Engler EXT 148 0392 412144 GAM 5 54 116.78 110.78 124.15 4 00 4014 GAM 10	rdh America Ann 5 202.45 202.45 202.45 18.15 18.25 Earl III East Inc V 15 202.4	posts	201 0 221 0	Triatemp 9 - 1 122-7 123-114 124 125 127 127 127 127 127 127 127 127 127 127	ograssive Act
The state of the s	Helic Cort 6-11.5 20.10 71 200 72.00 1.77 200 2.10 1.77 200 2.10 1.77 200 2.10 1.77 200 2.10 1.77 200 2.10 1.77 200 2.10 1.77 200 2.10 1.77 200 2.1	5", 45.78 41.95 50.08 8.85 48M Sheek	2 (John) Unit Wyent Ltd (1000)F Habiton State & Addition	######################################	100.00 100.7 100.7 100.00 100	6 grant (106.2 a) 198.77 (107.10 (10.0) 470.5 Sanz) - 1 98.77 (107.10 (10.0) 470.5 Sanz) - 1 98.77 (107.10 (10.0) 470.5 Sanz) - 1 98.77 (107.10 (10.0) 470.5 Sanz) - 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	h Indiana Acc \$\) 136 0 140.2 140.5 120 In Burt I Invest Services Left (1930)5- Into Intil Invest Services Left (1930)5- Into Intil Invest Services Left (1930)5- Into Intil Invest Services Left (1930)5- Intel Invest Services Left (1930)5- In
Breen Scale 2005 20	Her Portfolds — 13.2 (Hexbrinezabel Visiana) 2.11 (Ass) Frieldy Asset Arm (Jame) — 13.2 (1944) 118.00 (2020) 2.11 (Ass) Frieldy Hasset Cell Safe — 5 (82.06) (2.80e) 40 (1) 2.28 (498) Frieldy Hasset Frield Hasset Friedd Hasset Frield Hasset Friedd Hasset	1 1 1 1 1 1 1 1 1 1	7 700 Cooling Off - 407 788 William 1 76.59 76.598 83.122 -9.98 628 428 438	nto	Carris 5 56 62 66.794 65.091 1.00	South Asset F-9 100A.03 10A.03 10A.03 15.21 1665 Simus Unit Managers Ltd (1400)F hary Squee, Lington 622A 190 071-628 8070 Sanna	Japanesu Re. 54: 81 80 80 23.37 62.38 0 Japanesu Car 54: 75.44 76.37 61.24 1 UK Ganth 54: 56.21 62.13 55.46 2 UK Garth 54: 56.21 62.06 90 50 2 & Prasper Group (0.900)H Western Rd, Resport NAT 208 0701
6. \$1.41 \$1.40 \$1.	um Unites	Vestment Serve Ltd (1200)F so Rd, lockreps (Ver) obc. disclaims (1904)	no 200 febru 359 11.88 27.500 278.92 2.77 2895 L207 1975 1975 1975 1975 1975 1975 1975 197	wentitas Unit Tet Magnet Lei (1200H et Santy L	2 555.4 \$31.845 545.4 \$3.05 6400 Pennt 1007 20.05 lebts 1008 20.0 1011 1007 20.05 lebts 1008 20.0 1011 1007 20.05 lebts 1008 20.05 lebts	Birit Truests Lai (1000)F 1000	WORDER PR. HOUSENS BURN 28 90 79 74 13 25 25 25 25 25 25 25 25 25 25 25 25 25
The Cit beared J. 52.42 52.42 63.43 7.67 11 12 12 12 12 12 12 12 12 12 12 12 12	Infeita India:	Senio St. 92.04 92.04 97.07 0 12 1935 MS US Notice 34 22.95 23.95 95.22 0.00 4031 MS Fee Japan 14 23.95 23.96 23.96 10.0 4031 MS Fee Japan 14 23.96 23.96 33.84 10.0 404 MS Fee 37.40 31.80 33.84 30.0 404 MS Fee 10.0 404 MS	9000 (Sec 4 4) 13,8407 (1,9407 1,9507 1,555 4525 Aritis 100 (Sec 4 4) 13,8407 (1,9407 1,550 1,55 4525 Aritis 100 (Sec 4 4) 10,971 (1,9717 1,950 1,55 453 Minor 100 (Sec 4 4) 13,875 (1,9407 1,940 1,55 453 Minor 100 (Sec 4 4) 13,875 (1,940 1,940 1,55 454	promy lug5+2	## 12.000 0.0000 0.000 4.00 - Accom- tion 4	United 8 564 200 5 273.2 2-60 102 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Program
Marie B 02.30 63.77 71.33 0 99 6271 Annual B 02.30 63.14 67.17 0.73 6832 Capit	Polis	54 120.5 120.5m 126.2 3.54 4047 MS Get 54 47.10 47.10 48.78 1.04 600 MS Dol		nral Unit Tat Mingres Ltd (1200)F Bornieds, Lander BEZP 297 Sayarus Say 2 - 5 328,1 339, 14 344.5, 2 54 4879 Sayarus Say 2 - 1 328,5 36,2 4 374.0, 3 2 4 4879 Sayarus Say 2 - 1 325,5 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Pember 4 71 4514 9.4434 9.655 4.10 - Pember	57.55 74.50 79.10 1.70 (2014) Barr Citr's Acc	nik Grs
M Unit Treate Ltd (1400) 100	## Bond ## 34 24.10 24.10 25.46 5.85 44.05 10.000 Converted ## 10.000 8.000 Converted ## 10.000 8.000 Converted ## 10.000 8.000 Converted ## 10.000 8.000 Converted ## 10.000 Conver	1906 54 29.77 24.77 28.36 2.82 48.66 185 185 185 185 185 185 185 185 185 185	1	Wester Any 25 9 0 115-136 156 136 115-136 2480 6651 3 Device L	itan Unit Trust Mingre Ltd (1000)F Perper Be Potent for ENG 1A). 07107 (82223) Grant	Income in the state of the stat	eld
# 1600 1700	Mild House Delt Tst Mars (1200)F all House, Feather Square, Edinburgh. Design Annual Square	## 140.9 145.3 157.8 0.00 down had Gano ## 252.88 62.8 65.2 0.00 learn set had 5.00 ## 254.7 150.0 79.64.6 64.80 0.00 learn set had U.S. ## 140.7 157.0 187.1 152.4 cost kell U.S. ## 157.0 157.1 152.2 cost kell U.S. ## 157.0 157.1 152.0 cost kell U.S. ## 157.0 150.0 150.0 150.0 150.0 learn had 5.00 ## 150.0 150.	power floor + 4-by 131250 113.0255 14350 14357 14357 14355 1	Acrom 0 62.20 62.20 62.20 6.30 - 10 10 tecome. 9 Obst 440.50448.64 470.00 2.56 0.01 ABGinet 9 Acroms 5 864.66 868.60 522.10 2.56 0.01 ABGinet 107 Receme 5 86.19 96.640 708.00 4.00 1 107 Res 6	Stratagro Set 13 Sale 102-80 0.75 0.85	pr Growth5% 217.77 278.44 23330 0.01 kmg kmg combing Coe5% 201.40 201.88 277.35 0.00 kmg kmg combin Goods5% 201.42 240.80 237.35 0.10 kmg combin Goods5% 125.42 126.29 135.80 0.00 kmg scotch an Goods5% 125.42 126.29 135.80 0.00 kmg scotch	55- 64.57 04.57 04.66 1
n linked the land not und on you will a see the link of the	Chan Cavit Tal	34. 34.61 40.02 42.58 6.90 4055 Mark Har	Be Unit Tet Mingant Ltd 40659)F For E L 77 Warmen St. Lindon E1 WF 071-486 1212 Fibra	Delet 0 104.00104.004 111.50 1.17 1	2 \$2000	A Court Service Servic	Con inc. 52 28.7 24.1 25.9 3 Sharing 52 114 0 114.8 17.9 3 47. 52 214.2 234.6 224.6 2 48. 52 204.2 234.6 224.6 2 48. 52 204.2 234.6 224.6 2 48. 52 204.0 21.4 224.6 2 48. 52 204.0 21.4 224.6 2 48. 52 204.0 21.4 224.6 2 48. 52 24.3 14.3 14.3 15.2 4 68. 52 24.3 14.3 14.3 14.3 1
mer Gerith5 244.00 224.50 224.50 0.76 Do in	n 9-th 8 20.46 30.50ml 32.82 0.51 K Index	5% 105.1 105.1 115.0 3.72 4092 Guilerti class _5% 96.62 95.52ml 80.05 4.58 4097 00 Heath 5% 111.8 111.5ml 117.4 0.13 4096 Cmh	ten Royal Ex Unit Mars Ltd (1000) 6 or Extrangr Sc. Los E14 90E 071-638 9688 App 0 132.3 132.3 132.3 132.3 4.08 4797 Nurt 0 132.5 132.3 13	7/251 0/251	10) 6 100.61 107.50 97.60 2.27 100.00 100.00 10.	Print 4 54: 248.47 245.57 262.65 2.48 400 Select	' CAR - Het lacune minneled der Unit Truste Litel (1400)F r House, 65 Owen Victoria III, ECAV 4EJ
7 COS512 760.76 165.70 160.10 4.74 161.60 7 COS512 258.00 258.00ml 280.40 1.34 160 1.00	Hard Care #1, 31,011 37,74 32,94 1,581 WHS Learn Rosecom Industry 151,	Internal 102.55 102.55 102.55 102.55 8.44 1002 Internal Jopen 10 Personal Specialist Portfolion	1907 100	det 5 88.59 60.07 63.40 2.65 727 90.00 10.	6 29C 0 294.6d 315.1 3.06 day 1 Under	Advaluation & Dunling: Partial F Advances Unit Trans Accounting 5 Management Ltd CVT-407 5866 Advances Int Vand, Landon SET 1167 CVT-407 5866 Advances Applications	₩ 0500 526556 Endeathin 06 18655 Endeathin 06 1865
with572 1496.30 4066.30 620.00 2.33 4006 in labeled572 1496.00 1000.00, 1796.00 2.33 4006 in labeled572 1496.00 1000.00, 1796.00 2.33 4006 in labeled572 1496.00 1000 in labeled572 1496.00 1000 in labeled572 1496.00 in labeled	Recomme Adeptivation 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77 100 1.77	54 151.8 151.6 187.8 0.00 etc. 54 204.0 0.00 etc. 5	PU 6. Head Pages Lind (2400)F Head Puri Street, London SE1 2NE 077 522 2129 Base SE 2NE 077 522	or 63, Customen, Korst NE4 978 Daming 8634 894313 Account United 864 894313	mi		series 5-1 287.10 287.10 282.12 0 11.bmt 65-1 285.71 285.71 285.12 10 11.bmt 65-1 285.71 285.71 285.71 12 15 10 10.bmt 85-1 187.72 11 12 15 10 10.bmt 85-1 187.72 11 12 15 10 10.bmt 85-1 185.72 11 17 17 18 11 12 18 10 10.bmt 85-1 186.02 186.02 71,77 1 11.bmt 85-1 186.02 186.02 71,77 1 11.bmt 85-1 186.02 186.02 71,77 1 11.bmt 65-1 186.02
Access 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	pitell Avenue, Lindon ECSR 78H 07 -006 0768 Income Plus nere Persidio5 77.42 77.49 82.89 2.83 (82H Japan Spec St	54 137.4 165.1 147.1 0.00 (65)2 Forder II	on lecome 35 117.61 117.61 122.16 7.61 4688 Chart	Europe G-eff 5 30.35 50.37 50.39 1.07 1.07 1.07 1.07 1.07 1.07 1.07 1.07	1002 1.08 405 Premi	um Life Unit Tat Magra Ltd (1400)F (Account to the Control of the	terred
512 400.5 411.7 440.1 2.04 4885 Cast	Balley, London EC404 78A 071-382 5000 01 Sun Street,	"CAR - Inc Income introduced Bo Accurate Fund Mingt Ltd (1200)F Lindow BC2 M20P 07077 9542 tempts in the compts in the compt	# High Inc 1 is 125.18 25.18 at 127.84 7.57 4886 Incon	COLINE 3 127-30 1771-30 277-30 132-30	10 Sunt 1 Sunt 4 Sunt 1	Access	
© Tranta an Income521 30.07 50.07 at 69.32 2.07 atom harows524 408.2 408.2 408.2 4.8 2 3.29 4080 Character harows52 223.3 229.0 344.0 1,72 4070 191 Fe bed52 237.0 327.0 27.5 3.7 4087 atom har for a second or	Control Column	0 36.64 36.64 36.18 2.87 4020 PU Box 0	mattern (cc. 51s 38.80 87.40-4 39.74 1.49 (498) N.Am	Server 6 561-10 521.75 555.80 4.22 6366 European 5 650-41 521.05 521.75 555.80 4.22 6366 European 5 650-41 520 636 4.22 6366 European 5 650-41 520 636 436 636 636 636 636 636 636 636 636	hrg. 0 89.10 69.16 89.01 0.07 9651 Profits 		United 54, 44.18 44.18 46.80 1 Core 54, 198.78 283.77 (17.36)
Dec Str51_2 151.7 131.7 140.7 0.62 4071 151.8 26.86 51.70 0.07 4074 151.7 151.7 162.0 0.00 4075 1 White 51_2 127.8 277.6 237.6 0.07 4074 1 White 51_2 177.8 237.8 0.07 4074 1 White 51_2 177.8 237.8 0.07 4074 1 White 51_2 217.6 237.8 0.07 4074 1 White 51_2 177.8 237.8 0.07 4074 1 White 51_2 177.8 237.8 0.07 4074 1 White 51_2 1 White	Planametal Unit Trust Mingra Ltd (1100)F Financial Unit Trust Mingra A Trust Financial Unit Trust Mingra A Trust	Colonial Unit Mapt (1200)F 2001, Bracterod, Ensec Cal13 1XB Boulage 027 2010 Hamebre Adreis, 6 Colonial	habitage In:572 30.46 30.93rd 32.79 3.86 4788 N Am Market Ar. 572 32.25 32.74 34.71 3.66 4787 Do (A	140.00 140.00 140.00 177.00 0.01 140.00 140.00 177.00 0.01 140.00 140.00 151.00 0.01 140.00 140.00 0.01 140.00	Core L 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	CH	Unite) 64 19.63 120.81 [23.80 0 spring 54 231.31 232.84 248.46 2 (Onito) 54 270.30 277.20 290.5 2 sty. 54 22.02 424.15 42.30 2 (Onito) 55 422.02 424.15 42.30 2
Acoust Vol	men haf 3	5 23.89 23.89 at 25.45 10.00 4042 IX Growt - 5 103.00102.104 100.00 0.00 4043 Hember 110.00 110.00 117.70 2.50 4044 Admin, 5 110.00 204.00 204.00 104.00 - 4048 Emerical	Shirin	The same of the same of the same of the same		Lobis	tr Cos 4 54 141.30 143.18 152.7 0 141.50 143.19 162.7 0 141.50 153.19 160.75 1 15010 5 78.75 100.08 90.41 1 15010 5 78.75 100.08 90.41 1 150 9 78.75 100.08 90.41 1
Cay Fig. 141.0 141.9 150.7 2.05 cms cay Fig. 150.7 150.5 150.9 150.5 150	In Judges 174.49 104.2 104.10 14844 Engges inc. August Advisor - Newtonine Cractbonine Engges inc. August Advisor - Newtonine Cractbonine 14844	old George Feeds 2228 234.0 0.29 4417 Egyty for gardy 1,42 4410 1,43 4410 Egyty for European 237.24 190.5 190.5 190.5 190.5 190.5 4400 European 237.24 190.5 190.7 190.5		Morgan 6	rential joyant Fits Ltd (1000)H) Cream, London ECSM TUT Foretier (171, 175, 175, 175, 177) Foretier (171, 175, 175, 177)	Delta 54 196.5 196.5 196.7 0.84 197. (Accum	United \(\psi \)
Duckton National State (1400) 0000 526358 Duckton National State (1400) 0000 526358 Duckton National State (1400) 0000 526358 Duckton National State (1400) One	y World Growns 8 121, 15123-054 131,551 0.76 Lassy But Flament Services Limited	adingstie Fei Magt 110 (1100)F Scottor C Articles Sei 188 07 407 500 Hender Dry_52 48.01 48.64 82.81 3.94 400 PO Doc	22.50 22.60 127.60 - 022 Loss 200 12.60 - 022 Loss 200 12.60	pay Acc	h hr	1.54 7.681 7.90 74.35 7.891	Dattist
Hoyel, Crumby 1918 20P 0293 529911 City and Out Pursion;2 94,42 94,95 98,86 1.45 4095 18 Em or Pursion;2 90,74 90,75 63,11 4.0 4499 18 Em	strings, Landon, EC386 1AJ 0362 612144 F88 bregiment is	Mint 5 97.07 68.480 73.08 5.1 400 18.04 18.04 19.05 18.0	Min 64 80.34 80.34 84.54 2.25 4637 M&C	Touth 6 99.70 79.92d 64.29 0.0 4692 US Eq but to 17.25 in Touth 8 02.37 63.19 87.80 1.8 4653 US Eq but to 6 Securities (0915)H	er Acc	rity Unit Treet Magnet Ltd (1200)F Accus	100 100
	cal Medical Unit Tst Nigra Ltd (1200)F File (Komin De Control	Mg Att 55, 179,41 in 7,34 att 53 i 139 leggs Mg Bass 8 vitorit Mingt Lini (1200)if at 1,00 att 1,00 at	Gertin	Determination (1988) 1745 30030 Menogod An America	54 136.9 136.9 137.8 17.4 22 internal company in the company in th	Dept. Dept	Unite 5 113.51 115.85 123.24 2. **Case + 6 41.27 41.70 44.36 0. Unite + 5 41.89 42.33 46.02 0. Sh Amicabin tit Tat litigas Lini (U73) Brown St, Giorgine 62 500 041 2
rice 9	2200	1 10 10 10 10 10 10 10	00 61 247.17 247.17 253.50 0.00 km/s (Account	IN LISTA 123.9 137.4 - Made Mettrop No. Hollow	herstone UT Nigorit (1000)H 02/5 000 883 IR Sand R, Geografi 277 02/5 000 883 IR Sand 189.74 89.74 89.85 2.15 6731 000 000 000 000 000 000 000 000 000 0	Indicent \$\frac{1}{2} \frac{27.00 \text{ord}}{2} \frac{27.00 \text{ord}}{2} \frac{27.64 \text{dom}}{2.64 \text{dom}} \text{Soft 4.037 1.00 \text{dom}}{2} Soft 4.037 1.00 \te	10 10 10 10 10 10 10 10
of Court, Editocropia Grid Serv. 1031—222 42/42. Equity into the William P. 2005. 2008.5 of 309.3 — 617. Do. 76. doi: 10.70. d	Gall Bendiced Unit Task Begra Ltd (1230); F86 (K. 2008) 0 F87 (M. 2008) 0 F87 (M. 2008) 0 F87 (M. 2008) 1 F87	5 22.4 28.3 253.4 2.67 am European 101 5 93.0 00.50 64.76 0.00 European 5 95.50 00.50 64.76 0.00 European 5 105.0 00.50 64.76 0.00 core Japan Tri 5 116.0 116.0 117.5 0.86 core Japan Tri 6 116.0 116.0 117.5 0.86 core Japan Tri	Capacida	n Unida 5 170.39 170.4 180.2 0.88 4861 4.2mmen 170.62 270.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8 273.48 771.8	hessions UT Niguri (1000)H 2, Clasgoor Si 27 99.74 89.74 82.65 8.15 8027 89.77 93.77 90.22 2.15 8027 99.74 89.77 93.79 90.22 2.15 8027 99.74 89.77 93.79 90.23 2.15 8027 99.74 93.77 93.79 90.23 2.15 8027 1000 1 95.77 93.72 90.23 90.23 93.85 90.87 93.87	1800 52 192.9 192.9 202.0 0.00 4753 Adv Pec 2 52 196.9 196.9 122.9 0.00 4759 Abur Pec 2 52 196.7 196.7 122.9 0.00 4759 Abur Pec 1938 Acc. 52 196.7 196.7 123.5 0.09 4759 Abur Pec 1838 Acc. 52 196.7 196.4 196.0 0.12 4759 Society 1839 Acc. 52 196.2 196.4 196.0 0.12 4759 Society 1839 Acc. 52 196.2 196.4 196.0 0.12 4759 Society 1839 Acc. 52 196.2 196.4 197.0 6751 Cape	No
AT Instanted Funnt Migras Line (1400)F or St. Landon, EC4R 181 or St.	Downson	5 67.48 67.48 59.47 2.06 697. 5 37.74 37.74 37.7 37.8 165.7000 Energy Fig. 5 454.5 483.4 3.53 4670 Energy Fig. 5 125.1 123.1 123.8 0.15 4672 Energy Fig. 5 122.1 123.1 133.8 0.15 4672 Energy Fig. 5 123.1 37.7059 133.9 4699 Energy Fig. 5 123.1 37.059 133.9 4699 Energy Fig. 5 123.1 1	### 504 68.17 58.17 102.00 0.00 6007 62.00	Design 100 1	1 89,10 89,18 67,07 10,00 (42)8 20	1 Acc	Owe Sq. Simeopy 1 (2014) 204-10 (2014) 204-1
Tender 1988	merchal Briton First Manys earl Lat (1200/pt mgc Court, 3 Bellows Park, Coryston 1270 290 Hard Hard First In 100 PORTPOLIS PTY FIRSTON) In Partie	1 63 03 03 03 03 03 03 03 03 03 03 03 03 03	mmt. 3 400.86 400.86 400.81 135 8055 400.66 400.81 212 0584 55.84 50.84 136 1476 Feb Education of Control of C	## United 5.11(#85) 1,225.8 (27.5) 1 4.57 cm;	Test Mingre (1200) F	Apie Acq. 5/5 185.1 70.1 173.7 0.52 4000 Annual Apie Acq. 5/5 150.0 186.1 173.0 0.52 4000 Annual Apie Acq. 5/5 150.0 186.1 173.0 0.52 4000 Annual Apie Acq. 5/5 150.1 186.1 173.0 0.52 4000 Annual Apie Acq. 5/5 150.1 186.1 1	54, 73.69 74.18 79.04 0.00m 6 72.34 32.800 35.00 1.1 50.50 6 72.34 32.800 35.00 1.1 50.50 60.54 30.70 30.71 8 30.28 2.1 50.50 inc 54 22.83 32.88 34.91 2.1 50.50 inc 54 22.83 32.88 34.91 2.1
Trumbs	a fractile	781.1 781.2 722.2 0.00 4077 Income a second of the second	TO SA. 70 RD 70 AG S4 19 1 EX ALEX	Delia	Personal Symbols Acc 9 5-1, 1889, 103,5 110,4 0,80 (2016) Therefore, 1889, 103,5 110,5 0,4 (2017) Mark V5, 106,1 505,5 113,5 0,4 (2017) Mark V5, 107,7 102,5 108,7 1,37 (2015) Mark V5, 102,5 103,5 103,7 1,37 (2015) Mark V5, 103,2 103,7 11,8 2,04 (2016)	A Acc. 5-5 71.60 71.00 77.00 023 MM4 Figh ing the left in the left	Acc 54 47.28 47.50 50.67 3.7 Acc 54 40.22 59.254 41.50 14.60 dire 54 97.10 57.100 18.82 14.60 Deci 54 65.62 65.44 68.90 0.5 100 Tec. 54 65.82 45.92 45.73 100 0.5 100 0.5 50.00 0.250 96.06 0.4
81 2943 2943 2545 7.06 6560 High Y	ance State Accel 2 2017 2 205.02 10 22 10	3 73.5 64.01 77.45 6-01 Feet State S	Age	10 10 10 10 10 10 10 10	54 44.50 44.50 47.50 1.10 1.10 1.00 1.00 1.00 1.00 1.00 1	Description of the second of t	& Life investments (1200)F draw Sq. Editourgh 9 (between 6 84-7 364 7 365 5 1 philosoph 5 28-3 28-3 274.1 6.1 draw Polotich 5 383-7 367-8 98-7 84 draw Polotich 6 48-8 48-9 8-8-1 1
2000	The Part of the Control of the Contr	Special O	From 1 2.11 2.15 2.22 - 402 (cm cm c	Smother Com 5 19429 1955 1753 - 207 19420 1943 1943 1943 1943 1943 1943 1943 1943	4 54 1075 1973 6176 11 107745 Goods 17 54 75.97 75.47 61 10.57 1981 Goods 17 54 75.97 75.47 61 10.54 5.01 1981 Goods 17 54 110.5 115.6 19.7 5.01 1981 Goods 17 55 40.25 60.55 60.76 62 1981 AA4 Goods 55 4 60.25 60.55 60.76 62 1981 CAN Billion	Thinks. 54. 47.16 (2.07) 72.50 (1.07) 1.07	in (Drains) — 5 67.62 4471 536.1 1.0 1
meG_4	Period P	Administration Administrative Admini	Addisonato Rasi, Cryston Gr 880 C86 Asset S 15 (22.14 92.14 92.15 92.16		14 1730 1735 55.31 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	b mi for 1951. Sales 57.56 57	too Eq toe574 184.2 169.0 209.1 1.3
10. Act 5 20.5 45.5 45.7 2.7 2.0 423 50.0 10.0 10.0 10.0 10.0 10.0 10.0 10.0	Vinetani Sporft. 1 (19.57 196.97 196.91) 0.10 (1975) 0.00 (19.57 196.91) 0.10 (19.57 1	ME _ 5 297.52 277.57 200.07 0.07 1	100.5 700.	United 5 102 27 273 3.61 3.61 3.60	1 1 2 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	gang inc Y _ 5 45.72 46.72 50.14 52.2	No. 19 19 19 19 19 19 19 19
Treate - Ownstead 128.7 128.2 127.9 0.38 4772 Workship 0.	And Consults Are: 3.1 (19.51)	Der 103.97 102.097 103.040 0.000 september 103.97 103.098	Sale	10 10 10 10 10 10 10 10	Section 1002 1042 1113 204 208 128 1002 1042 1113 204 208 128 128 1002 1042 1113 204 208 128	The Late of the Control of the Contr	754 357.8 361.0 365.0 1.6 rs led 5% 145.0 149.2 167.7 0.0 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6
here. 54 71.0 71.0 10.0 10.0 10.0 10.0 10.0 10.0	Way, Signature, Herts S61 2861 Oct. 744840 CT Hale Street	moore I M (1200H)	Ming Square, Loui, EC2M 4YR 071-628 3434 40 Co.	Landing	to W.54. 100.4 108.4 1171 Gentle Control of the Con	10 there 50, Materiations AEE 14 1307. 11 and 1	29 — 51 GOLDS 92.20 92.00 9.4 20
196, Beckenhard, Fred PRS GRU	Unit Treat 160.00 160.05 160.08 0.00 160.00	Pac. 25 Control Landon ECT 965 IX Special Landon E	2 Tot		2010 5 1 200 5 275 0 223 5 446 676 25 1 200 5 275 0 223 5 446 676 25 1 275 0 2	Figure 1, 1945 (1947) (54, 1 88.77 #0.66ml \$5.39 1 .35 h Providence have Migd. Lind (1900)F eve file. Editaturan Bell 27/A cc. 3–88 meth Acc. 4 57.22 97/A 23.91 2.85 meth Acc. 4 57.22 97/A 23.91 2.86 meth Acc. 4 57.22 97/A 23.91 2.86 meth Acc. 4 57.32 97/A 30.08 32.17 0.87 meters Acc. 6 87/A 30.08 32.17 0.87 meters Acc. 6 87/A 37.28 23.89 0.35 meters Acc. 6 22.84 22.80 24.40 2.56
Company Comp	ms userge	ec. 59. 70.13 70.13 84.35 1.06 4055 Acades 6 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	7.50 7.50 7.50 7.50 7.50 7.50 7.50 7.50	Quide to pricing of Authoris Compiled with the assistance of Lautro §	S PRICEIG: The letter H denotes	ner Gar	I INTOCASE 1-DUS HEIGHE (AGON)U
180.6 (80.0 201.8 0.0 40.0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 22.05 22.06 24.07 1 2 2 2 2 2 2 2 2 2	25 30.77 \$2.56 \$4.40 0.00 \$450 Mager Call \$2.50 \$2.50 \$1.50	1	METIAL CHARGE: Charge rands on, sale of that the or charge in defray marketing and fundamental to costs, including commission paid price set or instance of units.	property will postmally deal on the	Comments of the State of the Comment	72, Sandwigh (1918-88)
For Cre. 5 80.46 81.46 87.50 2.5 2.5 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6	Test UT Age	54 192.50 192.50 192.70 193.70 195.70	614 28.35 28.35 30.88 8.19 489 0 Broath 614 41.45 91.45 44.24 3.45 485 28 48 48 48 48 48 48 48 48 48 48 48 48 48	FFER PRICE: Also called issue price. The invelopment of the price at which units are bought by investors.	use of an Intervening particlic Protesting or a serich to a forward pricing Production P	Territoria (1988) Territoria (1	Acc 6 207.6 207.5 205.7 0.08

Checky Fund Court of F.2 Se.41 Se.41st 66.28 O.4 Junio Comm hum Court of F.2 Se.41 Se.41st 66.28 O.4 Junio Comm hum Court of F.2 Se.41 Se.41st 66.28 O.4 Junio Court of Court

in in the company of the company of

Overnoes impose Papels Clobal Income ____\$1, 90.82 90.82 01.76 2.41 000 bill Bond _____1 50.85 58.50g 00.50 1.69 4468 Emergit Francis Bartonen Diet Bartonen Aco

INITIAL CHARGE: Charge rando on sale of sale, Used to defray marketing and administrative costs, including constraints paid to intermediation. This charge is included to the price of sale.

OFFER PRICE: Also called issue price. The srice at which units are bought by investors.

BID PRICE: Also called retemption ories. The price of which units are bought by investors.

BID PRICE: Also called retemption ories. The price of which units are said back by investors. The price of which salls are sold back by investors.

CARCELLATION PRICE: The minimum resemption price. The minimum spread between the other and tell prices in determined by a formula taild down by the government. In practice, mind sall trust assumper quote a much services reprod. As a result, the lad price is often set above the cancellation price. However, the bid price neight be wanted in the cancellation price by the averagers at any time, usually in circuit intense is which libers to a large microst of sallies of online over huyers.

THISE: The time shows stongetic the fundinger's more is the time of the uset trust's velicular point unless member has in indicated by the symbols are as follower. (IV) =0001 to 1100 hours; (IV) = 1101 to 1400 hours; (IV) = 1011 to

The state of the s

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices; diel (0891 or 0336) 430000, enter 4 and key in the five digit code it	isted below. Calls are charged at 36p/minute cheep rate as an age 71st	and 48p/minute at all other times. International access as	estable by subscription only. For more detail and only mad the rise new law the	s cell the FT Cityline Presp Dear of the State Prior Prior Eras Lim Norwich the Control Representation of the Control Represen	ma the That the Paris Allen Al
Singer & Friedlander UT Mgart Ltd (1000)F Foreign & Cotonial Unit Massagement Ltd. Po for \$24, Sectombus, Bit 417	181.1 180.5 - 41719 Shappel 181.1 161.1 - 42467 Schryber Ser 1 - 986.7 386.0 - 181.1 - 182.5 -	## Same Head	Arr	125.1	1946 1414 Am 6709 107.12 198.55 - 4415 108.05 111.55 - 4425 110.05 137.00 - 4925 110.05 137.00 - 4925 110.07 148.41 - 4925
1 Motor Home St, Lendyn WLANS, 571-522 SS77 Cross Ac 19 20.00 222.57 1 4.64 49557 Lend No. 1 271.6 251.7 10.05 10.	The Sile - 4178 Resident Para Account File Files -	- Father Assessment Southern (275, 2273 72400 Fir Red Ser (275, 227400 Fir Red Ser (275, 22740 Fir Red		distance, GM 1/8 0245 20525 Charge and Id.	117.61 123.00 - 17681
\$ 5 W Smir Sen 5 902 3478 3077 054 478; Bankeyon Til. 14854 14765 1,18 47901 American Smith Acc	1972 1972	100 100		Per	19.20 19.50 Ann 40.55 19.40 19.50 On 40.55
Could Printed 5: 2000 SLEW SESS 72 400 5 100 SLEW SESS 72 400 5 100 SLEW SESS 72 400 5 100 SLEW SESS 5 100 SLE	Color Set	- 1953 Partir Gaude Sprint 1975 (0) 11.64 2027 1964 1965 4866 1964 1965 196	TO Friendly Society (1997) (19	100 217 - 42845 lef Bool Fd	17.8 20.24 S.R. 60.22 S.R. 60.24
Victoria	10.5 32.5 - 4030 City of Westminster Apartments (2) 10.5 32.5 - 40337 PD for 465, 550 Ambert Red, Millor Nairon	Sovereign Ser 3 70.51 70.51 - 43054 State	Fe 1904 1904 - 4500 Families Parks 1904	Lane am al Lanetz Harvitta Unite A	712 255 80 4227 112 455 80 4227 112 565 80 4227 10 15 3015 2015 04 4226 10 15 3015 2015 04 4226
Scanner R. School and Companies (1974) 1970 1970 1970 1970 1970 1970 1970 1970	772.2 \$12.9 - 41798 Property Field 177.2 \$18.6 - 102.7 \$190.6 41796 Property Field 277.8 \$25.8 \$47.2 \$10.2 \$		153.1 100.8 - 47500 Surpose Dec (4750 Surpose De	COLA 685.4 COLA	18.00 18.00 20.0
38 king Street, Lorgian Strif Golf 177 - 544 7000 McGR Star 1 - 277 - 278 700 McGR Star 1 - 278 1 - 277 McGR Star 1 - 278 1 - 27	81.5 136.2 - 141707 Planton Planton SC2 O.F. 0272:	2006 Overset Style	America Co Pic	00	702 102 - 405 - 40
Supress Supr	156.8		Tall 145.5 - 47081 OK ACCOUNT PORT OF THE PROPERTY OF THE PROP		07 104 104 45 45 450 450 450 450 450 450 450 450
Parami Ohisi	##44 625.4 - 41775 leaf-set from: 205.4 213.4 - 223.6 123.5 123.5 - 223.6 123.5 12	1987 1980 19	191.0 201.0 4000 10000	19.0 19.4 - 2000 Index Lower Su 19.0 19.4 - 2000 Index Lower Su 19.0 Index Lower Su 19.0 Index	13084 13013 3 differ 1318 18612 - 6294 1218 18612 - 6294 1218 18612 - 6294 1318 18627 - 6297 1318 18627
integration of the control of the co	4774 - 4774 - 3774 - 3774 - 3774 - 3774 - 3774		m (Baned) 195.7 221.8 41243 549 Frydin Boot amen Str 6 192.2 195.5 42951 Frydin Boot amen Str 6 192.2 195.5 42951 Frydin Boot amen Str 6 192.2 195.5 42951 Frydin Boot amen Str 6 42951 Frydin Boot amen Str 6 42951 42951 Frydin Boot amen Str 6 42951 Fr	178.5 188.2 - 43765 Balanced Marrie 101.1 110.1 - 43605 Good Marrie	174 140.51 140.20 0.00 44360 de la 174 140.46 0.00 44360
177.3 186.2 185.2 2.72 140.5 186.2 187.3 186.2 187.3 186.2 187.3 187.3 186.2 187.3	40 A 450 A	4 1922 ET Claff: Missesperri 150 150	1. Sec. 2 7/34 7/81 4/35/3 Dayoff Acc. 5. Sec. 2 38.18 3844 4 4384 Dayoff Acc. 5. Sec. 2 38.18 3844 4 4384 Dayoff Acc. 5. Sec. 2 4 388.1 3842 4 4384 Dayoff Acc. 1. Sec. 24 388.1 3842 4 4384 Dayoff Acc. 1. Sec. 24 388.1 4 4384 Dayoff Da	900.5 902.5 - 42900 Egalty Fillian 121.6 120.0 - 42900 Egalty Fillian 121.6 120.0 - 42900 Egalty (140) 120.0 1	pre (finit Funds) 134 proving 172 67; priority 172 67; pr
Indicate Finals	DLA 1104 - 40016 UK South Fd	#1979 2 Rougher Samet, York 107 UPR SEPUR CAMES LIBERSHIP 1841 2042 - 42200 Managed 1842 125.6 - 42200 Managed 1842 125.6 - 42200 Managed 1842 125.6 - 42200 Managed 1842 18	8. Yorkshire Americ Society 1. Accepted 19, Polinstein 1. Accepted 19, Poli	6, Managamar R2 248 081-102 9881 havingst (1001 102 98	10.1 10.4 10.0
105.00 1	27.86 785.80 - 4700 Chirles Medical Investment Group 0272-4	41 907 American US-2 199.1 - Qualif Recent of A 1997 American US-2 199.1 - Qualif Ulin French Case	6 Acc 514.2 Str. 4 - 1005 Statutific Grad	G Secretary Column 1997 Column	2727 2749 - 0596 2727 2749 -
Amer Growth Acc., 55, 46,145 (18.5) 50,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (12.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (12.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (12.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (12.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (12.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 44,00 fears Cap Protector McC., 55, 46,145 (18.6) 52,20 (18.6) 52,2	### ### ### ### ### ### ### ### ### ##	Perilla	ker 3 Acc 186.1 494.1 42812 Except for 1 & 2. - 40.5 484.3 442.3 442.0 Large for 1 & 2. - 22.1 244.1 428.5 442.0 Large for 64.4 54.1 42.1 42.1 42.1 42.1 42.1 42.1 42.1 4	1903	Fig. 1819 - 1816
Angel Pipe Yang Inc. 5. 78, 249 di 55,50 d 1.05 Florid Ingel Pipe Trait Inc. 5. 1, 62.4 60.4 61.5 do 1.05 Florid Ingel Pipe Trait Inc. 5. 1, 62.4 60.4 61.5 do 1.05 Florid Ingel Inc. 6, 639 Access (F. 52. 9.5 S.) 1.00 Florid Ingel Inc. 6, 639 Access (F. 52. 9.5 S.) 1.00 Florid	101.00 400.54 - 410.05 Soon Best Feet 404.1 467.0 - 117.2 770.34 - 410.05 Soon Best Feet 117.9 134.7 -	General Porticing Line States PTC Overall Porticing Market Market France (0779-0000002 Price UK-Ecolo	ment Acc. 192.4 292.5 design and company a	4737 - 42914 Income Out	
Swise Life that Tet Man Co Ltd (1200)F INSURANCES	ALEY MOLEY - 41814 Challent Matters, Rant MEA 477 0034	1 De Preside Section Section 100.01 - -	DO. Access.	155.3 22919 UK Banks Paul 155.3 22919 UK Banks Paul 255.4 255.21 255.2	207.0 with 0 0000 0000 0000 0000 0000 0000 0000
Peters of March 2014 2014 2014 2014 2014 2014 2014 2014		40/19 Pagerty 27.5 - 47.6 50.0	de Un too Marchant Inc	194.8 200.0 egged labrateding Ere 195.9 197.4 egged egged labrateding Ere 195.9 197.4 egged labrated 195.9 197.4 egged labrated 195.1 197.1 egged labrated 195.2 197.1 egged labrated 195.3 207.1 egged labrated 195.3 207	170.0 170.0 - 45011 - 45012
TISH BIX Coverb	70.5 100.5 - 47.52 Nemond 176.50 - 176.	40796 String Found Internal	283.5 977.4 4259.5 Fee 127.8 227.8 227.5 - 4259.5 Fee 127.8 227.5 - 4259.5 Fee 127.5 F	Hussel, Levieu Need, Enriched SS; 2461	18.1.9
188 1887 1	GC 6891 041-093 2000 Sharayai Frant Scap	7734 Par Principal Bady 949 1000 Ule Parity		ung only one prior applies care the bit price. UN Earthy	130.5 - 44110 4
Og Accom	Page 2004 Grant Gerri St. 4 100.6 154.5	700 Maria Mariana 302.0 570.7 - 52775 Serin Bord - 4700 Per Personal 202.1 570.0 - 42775 Legal & Ga (7700) Per Personal 202.1 570.0 - 42700 Indi America Per Personal 202.1 570.0 - 42200 Indi America Per Personal 202.1 570.0 - 42200 Indi America Per Personal 202.1 570.0 - 42200 Indi America Personal 202.1 570.0 - 42200 Indi	19875 294.5 - 14285 History, 1987 1988 1989 1989 1989 1989 1989 1989		
DO ACCORD	172.4 172.	Assignmental SPACIALISM	276.4 291.0 - 42726 Europeat 1041.0 1065.8 - 42726 Fixed Interest 20 209.5 - 42730 Property	The second of th	4 197A 108A - 4949 175X 108A - 45215 1854 1852 1852 1852 1852 1852 1852 1852 1852
NA Tones, Addisorate flood, Corysion (1944-1955) 7.6. Shipton (1945) 7.5.2 97.3.34 3.8.4.2 9.8.6 14599 Templaton Unit Trust Managers Ltd (1200) Admit Shipton (1945) 7.5.2 97.3.4 3.8.4.2 9.8.6 14599 American Sec. 4 497.5 288.6 288.6 9 41014 American Sec. 4 497.5 288.6 288.6 9 41014 American Sec. 4 497.5 288.6 9 41014 American Sec. 4 497.	1985	### 19 19 19 19 19 19 19 1	715.1 337.7 42744 Bood Annaly Protection Code National Code Code Code Code Code Code Code Code	53.1022 Serily Total 53.2024 Serily Total 63.4479 Serily Total 63.4479 Serily Total 64.420 Serily Total 64.420 Serily Total 64.420 Serily Serily Serily 65.4450 Serily 65.4	185, 270, 43259 437, 43259 437, 43259 4325,
17.17 17.1		### ### ### ##########################	371.8 567.2 427.40 Adequates N. 191.5 127.8 427.40 Edited Fd 427.41 Edited Fd	71.3 71.5 60.027 American Income 77.7 81.8 60.027 American Income 77.7 81.8 60.008 60.008 60.0008	700.6 214.6 - 43227 76. 177.5 188.9 - 43227 144.5 182.6 - 43307 144.5 182.6 - 4330 124.6 182.6 - 4704 140.6 182.6 - 4704 140.6 182.6 - 4704 110.5 187.0 4.0 47816 110.5 187.0 4.0 47816
Function Script Cos _ 5	Consolidaçãos Life Assertativas Co Ligi 15.5 640.5 - 41878 Parelles Ri, Richard, Sarry 1791 90 91-94 908 614.4 - 4180 Emile 1111.1 125.0 - 1	1 (2005) Royal Extractor, (CS) (771-223 7761 Extract Maga.	bil 788.7 928.2 - 42791 Pice Messes Michel	196.7 154.5 - 4777 19th Yeld Util. 165.5 - 4778 - 47	100.5 11.44 7.25 44422
Content Cont	128.1 - - - - - - - - -	### Pagenty Brooks ### 1985 ### 2 GASTY Dateget M, Alexand	E 10	INDEA LECT POPULATION APPLICATION APPLICAT	1778.5 1871.8 - 63355 - 63556 - 63566 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63556 - 63566 - 63556 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 63566 - 6356
Deposit	201	eriting the latest Life Assessment Life.	ASSURBACE CO LIN Elle Income	124.4 190.9 462.18 Convertible & ESC 191.0 462.18 Convertible & ESC 191.0 462.18 Convertible & ESC 191.0 462.18 Convertible & ESC 462.1	159.2 140.6 - 47057
16 Chaptelia Sep. Reinburgh	77.6 \$4.5 - 41.657 Aggester - 155,1 205,4 - 156,0 205,4 -	Proceedings	Sizing S	26.7 27.0 45109 585 sweet store 250.7 27.0 45109 585 sweet store 250.7 20.0 45109 585 sweet store 250.2 250.2 45109 45	1983 1954 - 47821 1984 1851 - 4857 1984 1851 1962 - 4940 1884 1852 1762 - 47822 1886 1854 1754 - 47822 1886 1854 1754 - 47822 1886 1854 1754 - 47822 1886 1854 1754 - 47822
Senert Dist 128 11 11 11 11 11 11 11 11 11 11 11 11 11	a a dept - diam and a make	Hearts of Onk Lucurence Group Hearts of Onk House, & Princess Rel Week, USSQ 5-9016 Manual City Manual Find	College of Science of Managed College of Managed Co	1814 1814 2790 1800	118.4 194.7 -
OTHER UK UNIT TRUSTS ASSEMBLY For Limit D, Lordon EA SE 1777 ASSEMBLY FOR LIMIT D		### De Production	2417 2917 - CSP/A -	### 780.5 787.0 49112 Australia Provider ### 190.5 200.4 4 9112 Investment for 6 ### 190.5 200.4 9116 Prouperty Life ### 190.5 200.4 9116 Prouperty Life ### 190.5 200.4 9116 ### 190.5 200.4 91	12.0 10.1 - 47912
Bealther Gillert & Co List	92. 115.0 - 47800 Engle Start His Assurance Collid 93.9 175.2 - 47810 Engl Red Codesing C.65.7.0 0542.2	1 1 1 1 1 1 1 1 1 1	2007 2007 2008 7 m 120 Ages 2007 2008	Mart 801 196. 120.7 1370004 Account Prior 300	214.0 221.5 - 4903 197.6 195.5 - 4903 214.5 295.5 - 4903 214.5 295.5 - 4902 214.5 295.5 - 4902 214.5 295.6 - 4902 215.6 295.6 - 4902 215.6 295.6 - 4902
OK Genotic is incorpor 153.02 253.12 73 44571 254.05 254.01 254.05 254.01 254.05 254.01 254.05 254.01 254.05 254.01 254.05 254.01 254.05 254.01 254.05 254.01 254.05	#4.5 200.0 - 47807 Performance Foot	Col.	112.2 112.2 24.0057 24.0057 25.0057	462.8 478.7 - 451.8 Providence Ca 111.8 120.8 - 451.8 Providence Ca 450.8 184.6 - 451.0 UK Sanly Act 450.2 150.6 - 471.0 UK Sanly Act 150.2 150.6 UK Sanly Act 150.2 150.6 UK Sanly Act 150.2 UK San	PRINT LINE ASSOC CO Ltd
Aggressian Paris 124,154 148,555 2,25 4,155 149,555 14	10 10 10 10 10 10 10 10	17.13		1882 716.2 45176 Employ Act. 786.0 450.5 45175 Irong Ross Act. 45175 Irong Ross Act. 45177 15177 Irong Ross Act. 45177 151	185.4 40.0 4070 18.162.2 17.1 4070 18.162.2 17.1 4070 18.162.5 102.4 4070 18.162.5 102.4 4070 18.162.5 102.4 4070 18.162.5 102.4 4070 18.162.5 102.4 4070 18.162.5 102.5 4070 18.162.5 102.5 4070
Charington 100	1273 - 44581 Product Advantage - 1472 1854 - (1	### Septional Life Assert, List #### Company Research Life Assert, List ####################################	130.3 157.0 - 44731 Deput	1980.4 845.7 33161 FF Minniged B Acc 200.2 200.2 200.2 47162 FF Minniged B Acc 471.6 471.4 471.4 471.6 471	161.2 181.5 - 40.85 120.1 121.3 - 40.85 100.0 428 44184 167.2 - 40.83 167.2 - 40.83 197.5 - 40.83 197.5 - 40.83
Column C	22 193.2 - 4595 Peru Barones 174.3 194.2 - 175.3 194.3 - 4785 Peru Richardian 195.3 194.2 - 176.3 195.3 - 4785 Peru Richardian 195.3 195.3 - 185.3 195.3 - 4785 Peru Richardian 197.3 197.	188 Septime 188 Asset	100 100	, Riches, 965 20w 0462 452462 Property Infilial- ments 227.8 250.4 - 43141 Special Barbart Mill 984.7 259.4 - 43141 Special Barbart Mill 984.7 279.1 - 43139 Police United Special 227.9 239.5 - 43136 Police United Special 187.7 170.6 - 43136 Police United Special 187.7 170.6 - 43136 Police United Special Speci	166.5 - 6565 96.7 - 6565 196.7 - 6565 105.1 - 6567 115.0 - 6567 115.0 - 6567 115.0 - 6567
Charify Florid int Politicity Equity Pd 33 Seater Lave BESS 077-128 2006 Sea Septime 33 Seater Lave BESS 077-128 2006 Sea Septime 34 Seater Lave BESS 077-128 2006 Sea Septime 35 Seater Lave BESS 077-128 2006 Sea Septime 36 Seater Lave BESS 077-128 2006 Sea Septime 378 Seater Lave BESS 077-128 2006 Sea	194.0	Section Sect		196.7 200.8 - 201.8 107.6 107.	723 - 446 1945 - 446 1957 - 446 1957 - 446 1957 - 446 1958 - 446 1957 - 446 1958 - 446 1
Gountly Hartifrest Invasionment Harmagouvent Lind Per Benin 19 Acotts 2004 State Too Any 2004 10020 R3301 3.37 - Per Benin 19 Acotts 2004 Per Benin 19 Acotts 2004 10020 10		Professor 1987 19	7 277.8 4,2003 Ulle Finds (1999) 278.8 - 289.4 Searchy Managed 280.5 Sec.9 - 270.0 Growth Managed 280.1 Sec. 9 - 270.0 Growth Managed 280.	103.6 116.5 — 44700 AFF in the French Court of	75.0 53.3 - 35.0 77.0 77.0 77.0 77.0 77.0 77.0 77.0 7
Browney Funds Browney Fund	17.5 20.4 41851 17.5 17.5 20.4 17.5 20.5 17.5	15 Septim D* 220.0	1907 186.4 41933 49000 187.5 177.5 187.5 4197.3	115.0 127.9 44710 3448 (2008) 115.0 127.9 44710 34710	101.5 47914 101.5 101.
If Coping	RA 275.1 4457 From 57.1 57.2 57.5 47.5 47.5 47.5 47.5 47.5 47.5 47.5	Property Acc.	Com	180.3 180.3 44703 18049 180.4 180.5 180.	75.6 33.2 466 2 36.3 35.2 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 36.3 466 2 36.3 466
Cond Euro Ste Col Estato (200.00 100.00 2.44	RSS 175.01 - 44703 Special SR	Resel in Ser S	CC 1879.05 - 400221 Undered Web Press Se	99. 178.7 189.2 - 44535 Internal Arc. 180.9 - 44535 Internal Arc. 180.9 - 44535 Internal Peri Ann.	77 50.8 - 4610 20.8 - 6011 20.0 120.7 - 44105 118.1 127.17 - 44105

Mary Street Contraction of the C

Secretary of the second second

FT MANAGED FUNDS SERVICE | But | Date | 14 | Street | Principle | 15 | Street | 15 | Contail | Same & Prosper Group (2) | Contail OFFSHORE INSURANCES \$17.5 187.1 187.1 198.0 Old Merhan Irrhernadi Marthedda Currency ... Michaeld Currency ... AXA Equity 6 Law Intil Life Assect Go Victory Him, Prospect Hit, Despite, IoAA Services Equity 5 1.200 116.11 For Seators Equity 6 1.200 116.1 - 47254 - 47227 Scottlish Amicable 180 St Vincent St, Gasyow Lib Finds (Feet Secing) | Section | Sect G21 257 Schroder Investment Mingast (Guernsey) Ltd Emering Marieta \$12.21 | 12.93 | 4507 Later Arcentes \$17.50 | 36.45 | 0.00 | 4574 - 45874 - 45872 - 43873 - 43863 - 43863 - 43866 - 43866 - 43866 - 43866 - 43870 - 43870 - 43871 GS 104 Waterst. | \$1,206 | 1296 | Sum Allianote International Life FO Box 77, New St, St Puter Part, Groy Horth Apontion Equity 4, 151,223 | 143-14 Pocific Goody 2 | 50,00 GO 2007 | 50,00 GO - 224 | Section | Sect PO Nov 77, New 53, SI Pater Part, Grey Delth 714105. North American Equity 8, 513.33 14.34 - 45254. Pacific Equity 8, 513.33 14.34 - 45254. Pacific Equity 8, 513.33 14.34 - 45254. Pacific Equity 9, 513.35 14.35 10.35 - 45255 for Board Pares 8, 53.56 10.35 - 45255 for Board Pares 8, 53.56 10.35 - 45255 for Board Pares 8, 53.57 10.35 14 - COSS - | Section | Color | Co gark (Guernsey) Ltd \$12.31 - 46000 \$0.95 - 46(61) \$10.54 - 47335 27.54 - 47326 071-405 9222 | 336.9 | - 45512 | Claim | Account IRELAND (SIB RECOGNISED) 25 Angl's Firm, resident Hell 1971. U724 49-4952. Producted Numaran França (December 1971). U724 49-4952. Producted Numaran França (December 1971). U724 49-4954. U724 49-Courtis & Co Found Minangers Limited 10 Denous Street, Delite 2, Iroland 11 Denous Street, Delite 2, Iroland 11 Denous Street, Delite 2, Iroland 12 Denous Street, Delite 2, Iroland 13 Denous Street, Delite 2, Iroland 14 Denous Street, Delite 2, Iroland 15 Denous Street, Delite 2, Iroland 16 Denous Street, Delite 2, Iroland 16 Denous Street, Delite 2, Iroland 16 Denous Street, Delite 2, Iroland 17 Denous Street, Delite 3, Iroland 17 Delite 2, Iroland 18 Delite 2, Iroland - 45381 - 45382 - 45387 - 45387 - 45387 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45383 - 45384 MANAGEMENT SERVICES Scottish Life Investments 10 St Andrew Square, Edichards Property 182.6 UK Equity 838.1 9.88 10.19 | 4.25 | 4822 | 4822 | 4822 | 4822 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 4824 | 482 8 MA Described. 90.502 0.567 Rebart land Fracts Cataboal to liste 5 ... 21.192 1.292 Barddoni led Nan 8 ... 21.192 1.292 Barddoni led Nan 9 ... 31.004 1.290 DRA becomptional ... 47.397 1.797 Generald Parlamenturo ... 50.266 0.296 Trickly C Bardd Shr 5 ... 137-97 0.946 Trickly C Barddon ... 137-97 0.946 Tr 0734 494852 OFFSNORE AND OVERSEAS STATE OF STATE OF

FT Cityline Unit Trust Prices: dial (0891 or 0336) 430000, enter 4 and key in the five digit code listed below. Calls are charged at 36p/minute cheap rate and 48p/minute at all other times. International access available by subscription only. For more details call the FT Cityline Help Desk on (071) 873 4378.

lair Cause Bid Other Tinds City- Citys Price Price Bir's Line	ink Capes Std. Office Work City- Citype Price Price Price Gris Liber	belt Cons Mid Other Yight City- Cityge Prior Prior Birt Line	the Other York Chy- Price Price Senson Llow	State Color Tests Color Fries French Great Link	the Other Tield Chi- Price Frice Greek Line	the Com Table Come Library Pacific	and dellar Yald Char- Prices Prices Green Line Greenwith Franci
6 Minden Place, Migher, Jersey 0534 36578 to Global Stock for Ltd Forty County Rhedbank	errollent Sub-Ready	Jam Coatre L-1637 Limentory 010 JS: 404851 Ft. 1st Setton	97136.57 - 40201 8/4/ \$131A1 - Manuara	Resember Alpha Pund Mark E Charmeles	Processed The Recognition of the	Ang 31	Sand - 45689 Fand
Applies Capital Sept. Se	angue Scandinave a Luxembourg SA Business Royal, L-2449, Luxembourg	Barrous Particle 2- 1.47 1.55 - 652 Barrous Par	osuez Lucrenbourg Seo (Z _ [Priotest-Cri] - Printin R Fittes Lucrenbourg Incom _ Stock - 48-95 Merit Com- Incom _ Stock -	Tency Fund See See See Grant The Chine See See See Grant See See See See See See See See See S	Partid NAT Rep Indicates	Asia Impost Services Ltd Philippin	5 5181.01 - -
Hill Samuel Fund Mors (199) Ltd (1000)F	nety int. Acc 5 5 2- 17.14 10 3.17 (S70) in interference 5 5- 1.55 1.84 - 4507 in interference 5 5- 1.55 1.84 - 4507 in interference 5 5- 1.10 1.25 - 4501 in interference 5 5- 1.10 1.25 - 4501 in interference 5 5- 1.10 1.25 - 4501 in interference 5 5- 1.44 1.55 - 4401 in interference 5 5- 1.44 10 1.25 - 4401 in interference 5 5- 1.44 10 10 1.25 - 4401 in interference 5 5- 1.44 10 10 10 10 10 10 10 10 10 10 10 10 10	som Porticion \$ 213 225 - and Pacific My Port	\$12.84 - 48.41 NG JP NG FF - 18.50 1 \$12.84 - 90.85 B Sop 1 \$1.50.22 - 90.85 B Sop 1 \$1.40.18 - 90.85 B Sop 1 90.85 B Sop 1 \$1.40.18 - 90.85 B So	Trinsian Security Fund Security Fund Security Fund Security Fund Security Fund Security Fund Security Fundament Fundamen	restment Trust light Co Ltd Nazaged I	Test Tist. 351 825 54 570 S5089 Polymen Friend Test State	nhamational Advisors Ltd
European Eristy512 (Med.21 21.71 23.22) 1.76 (4859 SE UK Grisste (12 Fang)515 (98.400 5.775) 1.84 (4854 SE Not Amprican Entry515 (81.48 1 1.82 12.41 6.00 4859 SE Ear Employ Sept516 (18.80 18.50 0.00 4859 SE	mentioned For Bast 5 5- 370 3.961 - 14901 7	irna Veston Porticino 2 - 1.26 1.34 - Surang Grovi sere Vision Porticino 3 - 1.50 2.60 - IS Surang Grovi siran Porticino 5 - 1.14 1.21 - IS Surang Grovi	510.91 12.25 - 45147 Acritists A:	g Global Mayt Co SA (II) San Harris Hydra Ford Global 211.65 - 45151 Commercial	rt investments Lid (Hoog Kong) Facilic God and God - St.	16 - 40256	hrc Tut. \$15.30 - 45651
Starting Manager _312 \$12.22 12.25 7.35 558 \$4	rope Bond Acc 1 D4 = 1.26 1.29 6.84 053 Kind USD Acc 1 SV = 1.46 1.49 9.79 4534 14 14 150 Acc 1 SV = 16.8 17.08 10.49 4534 14	Kamir Con Porticle J 5- 1.70 1.86 - Super Ade and Indexect Benson Japaneses Warrent Fund Clemente K 10 552 4793-1 Nov Jul 31 10 503 - 453 Credit Cours	structure \$1.00 - \$7255 teaching brighting Growth Food \$77000 to	SIGAL - COMMANDE STREET	Servicios Fel 57:55 14:86 - 47556 Sans Fel Mills Hart Fat - 52:86 14:86 - 44:97 Harcourt No. 52:46 14:56 Sans Fel Mills Hart Fat - 52:86 14:57 - 47:97 Sans Fel Mills Hart Fat - 47:97 The Jages Fel Mills Hart Fat - 47:97 The Jages Fel Mills Hart Fat - 47:55 William Rep 15:46 Sans Fel Mills Hart Fat - 47:55 William Rep 15:46 Sans Fel Mills Hart Fat - 47:55 William Rep 15:46 Sans Fel Mills Hart Fat - 47:55 William Rep 15:46 Sans Fel Mills Hart Fat - 47:55 William Rep 15:46 Sans Fel Mills Hart Fat - 47:55 San	STIL 14 Guide Fund Result Sup 5 ar Found N.V	1786 1776.17 186.60 - 1786
US Dollar d. 4	ritays Diversified Postfolio		Clang 6	sio.og - Credit Lyc	Coptied Ltd The Special State of Ltd Landing Francis Intl Aspect Migrat (PIR) Ltd Landing Francis Ltd Land	SR 2992 - 43789 (Incompact Countries Lournage C	Acces Ser 1 - 58.47 Acces Ser 1 - 58.47 Acces Ser 1 - 58.47 Crowth - 53.62
PO Box 195. 51 Hollor, Lorenzy 9534 284242 57 Upda Tet. 68	Smiss Figure Reperve SFr 30.42 -	Fig. 10.50 10.00	1949 S11.54 - General de 1949 S11.54 - General	Interpretation (Company) Interpretation (Co	67 ST 8 290 4757 Fact State 4757 Fact State 4755 5 Philopole 4757 Fact State 4757 Fact State 4757 Fact State 4757 475	RMF Scy 3 4 481 - 4533 FILES Nov. 1 44653 RL Country AMA Aug 31. 51.25 - 46553 RL Country AMA Aug 31. 51.54 - 47407 Beguidalies Studies Country Co	rage Co Ltd. Y782.0 - -
Hiddland Bank Fund Managers (Jersey) Life For the 25 Street. Jersey Life For the 25 Street. Jersey Life For the 25 Street. Jersey Life For the 162 Jer	Principle Figure 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5	ofin American Securities Ltd (a) change He. Privoto: 5, Lon, 8524 SH 071-528 124 Currency (SS) gettings in Co. 9- 19.10 - 486 Currency OM II getting for Ca SCOW 5- 20.23 - 412 Current Subse	neig Diezz us - Jeon Sirez Tracig STG 17 - Tra Franch Tracig Diezz et - Tra Franch	Care St 0.25705 St 0.2570	annais Rouse (Bermunda) Ltd Frama for	1941.12 43.51 45331 Recommends 541.12 43.51 45331 Recommends 551.48 43.55 66.37 45330 Form flow 1.553.0 255	ki, Rockii & Co Lizi or investment 59000 - - hi keresi titari 590.10 - - d Assert Management (CI)
Forms in 8 Bit	Average de la Gerre L-1811 1 101 0 392 404344 (a. like limit Parada 1845 (a. like like like like like like like like	berty ALL-STAR World Pfolio-Eqty Fd(u) CS Money Mic.	Re 100 100 100 100 100 100 100 100 100 10	Stevens & Clark Stevens & Clark Opportunities People (Found	charactional Bank Fee Sales I	1518 90 17 851 - 145 329	S Acc (CET 0754 [3.76] -
Standard Bank Fund Bigont (Jersey) Ltd. 7554 67557 int. 70 600 501, 51 refer. Jersey C	Septing 1	nes agrees, ciperiotoria ordinario (2) Marie 186	- 4715 (State)	reach Process	Name of Page August Augu	######################################	IST Acc. C1.105C 5.85 - C1.05C 5.95 - C1.05C
TSB Trust Funds (CI) PC Box 536, St haller, Japany 0534 503002 Gr	Inguistre Portfolio F. 2-1.2624 1365 - 4079 50 1070 1070 1070 1070 1070 1070 1070 1	rifing Bonds 2 - 141 25 14451 4401 GS Priving Bonds 7 12236 12914 4470 GS Priving Bond ship Guider Bonds 5 121 19 121 1	DM A DM W. 23 102.51 - 44652 Clata Bank DM B DM M. 11 142.22 - 47428 Clata Bank 6 B.A \$107.25 107.25 - 44682 Clata Abb. 4 B.A \$107.25 107.25 - 44682 Clata Dup.	515.72 - See 1761 515.70 - See 1761 1515.00 - Dates AP	IF feeding in the control of the con	ntr Coi Tet. 911 96 11.71 - S8070 PUR 714 361 37 65 36 - 45332 Diversities Corr 162 162 52 162 53 - 45332 Diversities Corr 162 162 52 162 53 - 45332 Diversities Corr 162 162 52 162 53 Diversities Corr 162 162 52 Diversities Corr 162 52 52 52 52 52 52 52 52 52 52 52 52 52	ures Fund Se \$26.27 - 45742
TSS Officialisms Structural Florid Ltds: Sign Deposit Class 2, 1 (62,14) (62,14) (62,77) 9 (30) 6200 6200 6200 6200 6200 6200 6200 62	resther Equity	100 Equity 5 100 116 1 147 1 1		Backers Saccording Food Backers Indi	Camiral Monagement (HLK) Ltd		Dellar tecome \$11.04
LEDOEM - IS	Equally	S- 67.29 GL91 - 463 GS 600 Mines of GS 600 Min	5072.89 1008.11 - 47938 3rd Growth F	erretional Ltd Darwa Jas 6 1 50 50 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	International Francis - August - Statement For	Carrency \$71.41 2.00 -74331 Ampliance GAI USS	\$137.49 - 43841 \$1.99.40 - 4359 Group OF. \$F(11,23) - 45801 \$7,000 - 5130.57 - 46801
Sid Dave Told City- File Price Brees Lieu John Son Barcings Intil Funds	Ectly Index Tracking F- 8 755 2.04 PO Fig. 12.751 1.25 PO Fig. 12.	Bior 20, 31 Andre, Junear Color	To 1794 - 105.16 485.35 Terrorrestor For Left - 100.07 48535 Security Ports For Left - 111.04 48537 Carst A-1 S. 8 DM - 100.05.53 carst - 44078 Carst A-1 S. APRISS. Seed of 285.31 - 47340 Carst A-1 S.	### ST1.06 41715 Eagle 6-7 41811 Eagle	see Fund List Section Common Com	Scot	al Europe \$FF116.20
Asian Selection Funds Chim	ton Board 574 - 22 JJ77 4 557 KGG File State Control 52 - 4 592 5 JJ77 5	## Commits C 7 494 1,553 02.74 71.05 C Settrual Aventum Populo C 1.256 1.439 4.534 C Settrual 4.534 C S	DAME A 19270	sin Store - 4777 Emerging Energing En	Proce \$17.50 17.54 - 47943 Johnston F Marylants Management 15 Marie Sa For Ad 31 5312.46 - 45048 Kestrel Ad 3.14 511.76 - 45018 Kestrel	of Fitnes Fd. \$105.17 - Schroder - Indiana Fd. \$0.55 Indiana Fd. Schroders	Sep 1 \$10,80 1,33 45760 Sepanase Warrant Fund
Singapore \$15,046 16,840 0.0 44700 More Tribland \$23,445 24,721 0.0 44717 Pris	### Localma	entra Global Perol (u) returnis-se-Count, SCIA sep 1071 226 8011 Debrit Pron. S- 6 06 i 1071 Debrit Japer 10714 Wordstudde buy Portfolio Sicary (1) Desei Japer	Gent Fund US Pacific Strain Str	Smock Fond (u) Enhanced Stock Fond (u) Enhanced Stock Fond (u) Enhanced A. Front Inspect (u) The Environ	Treasury Pertorne: Corporation Shakes See See See See See See See See See S	knyestment Fund Bulaced by Cantony 6 6	ond Fd Inc. \$1.05 198 - 45768 and Fd Acc. \$8.08 8 41 - 46770
CA Equey Certh	## 152 102 - 655 0 PM ## 152 103 - 655 0 PM ## 153 103 - 655 0 PM ## 154 103 - 655 0 PM ## 155 103 - 655 0 PM	Fine Growth Series 5- 15.55 - 1617 Fine Bragger 5- 14.17 - The Dragger 14.17 - Nur Aug St	S131.29 - 44486 Carrish Bond	DAT 27 850	According to	ST NOV	\$5 04 6.39 45162 45162 45162 45162 45162 45162 45162 45173 45173 45173 45174
Spring Funds - 44845 Grant Japan Spring - 44845 Grant Spring -	5- 1.801R 1.701 - 475 481 1 Share - 5- 1.125 1100 - 475 482 476 Female	Singuist P1	mn Pd	Find 1947140 7570 200 45965 677579 857	STS 67	Litti Japan Fund	
Sept 04 Sept 04 Sept 05 Sept	Principle Acc	Tashs breestwest SICAV (tr) but makings, 1-255, Laurahars or 0.324 4799 2595 European Project European Project	S1206 - 47858 train training	Annual Infect 187.23 6.00	FOLIA: 907.92 499.99 LEAM Smoler Combes: F77.27 3.80 48955 LESC CAME F 10.00 1	Da Jan 22 Schroder (2 Aug 27 Sp. 24 Sp. 24 rithilio Services Group Schroler B	Selfuertand) Fund Selfuertand Fund Selfuertand 59-1362-01 - - emundu Funds 19-99 - 47-470 4-129 - 28-06 - 43044
Courte & Co (Jersey) Fund Managers Ltd Trin Restarting Register Perfect Ltd 1202 Schreid Resident Ltd 1202 Adoption Resident Ltd 1202 Adoption Resident Ltd 1202 EDG Enter Ltd 1202 EDG	### Bond Acc 184 54 6853 9.3477 6.20 _ Gloi file Bond Acc 184 54 6853 9.3477 6.20 _ Gloi file Bond Div 205 299 10.77 6378 9cc 40 50 50 50 50 50 50 50 50 50 50 50 50 50	SF- 25.81 - Fidelity int is compared to the property of the pr	Try Mines (Littlembourn) SA Hote And Pac Harmon Street 7 27 1.89 47349 "MINITERIT 12 41 13 09 0.40 47350 Will Blook in Amend (CT) Litt	#6 Tel MA 84,20	#5 FG 17 10.55 1173 FG 17 10.44 100 FG 17 10.44 100 FG 17 10.44 100 FG 17 10.44	ino Pands Scattler, S	Sept 511,18 - 46863 52 - 52106 - 45318 AV Sept. 58 10 - 45328
BIG Traded Currency Fine (127 S74 d.) 15.089 1.74 44893 1.76 2.700 1.74 44893 1.76 2.700 1.74 44894 44	Styride (Group) (IV) No. Michingen, L-11 B. Luntribourg G7 -357 8-80 For food Convertible (I) S- 2.16 - 1274 Unit Ny Vernal (Assumpt (I) S- 2.27 - 44672 Assumpt (I) S- 2.18 - 1274 Unit S- 2.18 Unit	al Stand -	578.50 12.46 0.00 44872 World Bend F 578.50 40.50 0.25 44872 School 21.11 44874 World Trus	Try At Serber 20.07 \$5.64 46996 \$00 Det Det Det Pry At Serber 20.00 Det	2 S10 S1 - 4200 - Madd-Correct S10 S1 - 4500	516.26 - 47772 New Europe N 516.26 - 47772 New Europe New 510.58 - Prosecutor Fact 30/Hzs Fatad Ltd	Hint App 27. \$19.50 9.65 550 2 519.42 45345 45344 61m th 5106.11 62.50 62.50 63.50 6
Fleshing Group 18 6000 18 600 18 600 18 600 18 600 18 600 18 600 18 600 18 600 18 600	Investment Management SA uscord Runas Admans, Los 010 382 427011 585 sents 044 64.17 60.70 - 1254 sents 055 585 455 455		511.16 43.22 0.12 44978 Advanted to	982 Old H Fund STCAY (c) HCACA ACAS 1882 Old H Fund STCAY (c) HCACA ACAS 1810 00 10,001 1 (785) FX Concept	3 (Berneute) Ltd	15 27 S13,20 S13,20 S13	1 App 1969 521.43 9.311 7.25 521.66 9.282 47723 668 Management (iraland) Ltd (u)
Foreign & Colonial Magnt (Jersey) Ltd. Bype Foreign & Colonial Magnt (Jersey) Ltd. 11 R 11 R 12 S S S S S S S S S S S S S S S S S S S	morske Bank Lux Sto 352 468191 Cob We Adonger 3980 Lux Sto 352 468191 Cob	Per 22, Ostalatura, 656" GS24 824131 Florading Grate and Purposit and Business S-1,8439 1,8439 4,844 4271 Apan Neuron North	SWITZ	ERLAND (SIB RECOGNISED) Fairbundes (R Franc. 50.70 - Hall and 27 - 10.00	ational Folumes Ord	iocurities (Bermuda) Lixi nov.u. 30. 157695 64 - 157471 rvestment Magual (Bermuda) Lixi
153 Geods	phin Inti Investments (u) SECAY MARIONINA, L-1118 Losenburg 0534 27391	Maria Growth	and DM13-C - BLA Bond	Investments AG Ridelity Inv	### ### ##############################	Jun 1884, 627,53 — 45437 Japan Oppa N 0cc 1894, 510,57 — 4573 Southle Ass Aug 1895, 510,57 — 46770 Mc 188 0 — 514159,37 — 47445 GAM Oversite 10c 188 0 — 514159,37 — 47445 GAM Oversite 10c 188 0 — 51423 — 47447 SAMMAGGAT N	Marine 15110.71
Date	Control & Income \$- 5.1351 - 000 control & 5.1351 - 000 control & 5.1351 5.89 Distriction & Rosel & Rogert SA (u) Tento to Bostonic L-1319 Leonoritans y 3 do	# 1 2010 1 2025	Capital Mgt (Internationing SA ord.) Capital Mgt (Internationing SA ord.) Capital Mgt (International Mgt (In	OFFSHURE FUNDS First Measure In	CAG 25-1 SOLD 1 - 144947 MAIT But During	10 8947 5711,70 47448 5000 5000 5000 5000 5000 5000 5000 5	115.51
Cord Euro General Com. 04113756 45014 Estab	Investment Management Ltd Fri Sub- lus Golden, 69 413, Lournhourg 010 352 4040471 School 10 10 10 10 10 10 10 10 10 10 10 10 10	11.00 - 4000 H.C.M. Rea Earl H.C.M. Rea Earl H.C.M. Rea Earl H.C.M. Control H.C.M. Rea Hard H	DESCRIPTION OF STREET OF S	regerment Lind Formosa Fi.	and Approximate Vision of Approximate Appr		92731.45
Protected Caputa Part 9, 1 210.009	Address L-1118 Landrehoung	Separat Royal Serie 1064-12.15 46721 1.074 1	1007 20 113.2 April 100 100 100 100 100 100 100 100 100 10	Francisco Franci	Mark	Tracking \$10.00 - Taipel Fund 1992 - Taipel Fund 19	NY STREET A # TOTAL LOSSIES OU STREET ST LOST Franch Limited
Spony Godden Fellow Stort 1 \$18,590 - 47850 Shorth Personal Red March Annu 2 1 \$19,57 - 47955 US D Personal Red Annual Red 1 1 \$10,51 - 47105 Legisland Red 1 1 \$10,51 - 40573 Red 1 1	pom Equity	Fd Teache Remand are Investment Watchurg Asset Morgant Lox SA (tr) Find Low Tires, L-2866 Lox 010 552 421211 Out A NAV Interpolational	Bornd Trust Fonds - 4500 Fonds	Michigan 12878	beth Find Ltd Look Foot Foot Foot Foot Foot Foot Foot F	des NAY	S7 759 - 43853 S8,699 - 43853 S8,699 - 43952 S8,699 S9,44 10,001 - 46592 Welcoment Capital Fd
HVESCO International Limited O'rea All Punts that daily among where indicated. Shalling Universited Income Funds	Tyre Lipsey Anistics 2 - 1.214 1.206 3.70 4200 Euro r Lipsey Anistics 2 - 1.717 1.243 8.80 4790 Euro r Lipsey Anistics 2 - 1.717 1.243 8.80 4790 Euro 1.861 1.269 2.50 - 1.66 point Bond 3 - 1.732 1.841 7.40 - Elect point an depositable h So. Picos cardel or George	piece Fund	Hattone Linuxed Affinore Ca SSURG ACRES - 47761 International SSURGE ACRES - 47761 International STORY STORY - 47761 International Country		10 \$16.32	Hedge HW SC2_BB	ro Franci Ltd
Shring Determinated County Funds	Sen- 62.10 82.50 - 4045 North	S Panil S 24.04 25.59 0.00 Investigation of the Control of the Con	ris Atlantiques SICAV Social 2006 December Fd	## STI.D9 11.74 - 44673 CT Navy bid L ## STI.D9 11.74 - 44537 CT Navy bid L ## STI.D9 - 44596 CT Street Price of Times Filly CT L CT LS Small CI CT LS Sm	S722 ASS24 Ment Lynd F02 S20.69 ASS25 Dotte Asset P ry Plands	h Asuet Menogement 100 \$1,00 48844 The Thailand 100 \$7553 Now Way 9	1000 Period Libratical 1 \$16.83 - 47484 4 Franci 806 1,254,785,42 806 1,254,785,42 100 100 105549,901 6 Growth Franci
Apollo Fd Sep 1"	Mary Part Equalty 1975 1976 1979 1		Australia orange (V) August Prantis August Prantis August	Miningement Ltd Gate Heater B. a.a.g. 10. \$179.25 - Gate Heater B. a.a.g. 10. \$179.25 - Gate Day Driney M. \$1. \$107.82 - Gate Day Driney M. \$1. \$1. \$100.84 - Gate Day Driney M. \$1. \$1. \$100.84 - Gate Day M. \$1. \$100.84 - Gate Day M.	534.31 24.82 - 65246 Class II	St.57 - 47355 The Thalland	WW USECO. 13 Aug 27 I Smil Found Light Cond Light
Minerals, Olis Res. Sixs. Fd. Inc.	732 777377 Luo-010 352 25040423071 (Bods	The	7/2008 2.24 47359 4 3min fine fine GP125.08 3.02 48758 April Latin Ave FF127.27 8.09 41068 Repin Fields, A FF127.27 8.09 41191 April Short A	19 Ad 31 - COSAST - HAY	d Managers Ltd Herris Lynci	House - - Remain Corr Polish House Source - - Remain Corr Polish House Corr Polish House Source - 47900 - 47900	# Aq is \$1.1.25 - 46155 W Aq is \$2.67 - 46155 restment Management List
Heringate Unit Tst. Hings. (Jersey) Ltd Aver Pacific Fore Sep 2	DIL 3251	pean Find	Ecc 12.05 A SA46 Outer A Built G Asset Alexangusustit d Communi Boad Burles tection Te	First Jan 7. Stock of the		M At 51 Sign.74 - Spen Fend Rove Aug 27	
Ottehorn Ind Ouris Fd	AS 1259 0.05 2792 War 1259 0.05 2792 War 1259 0.10 4230 7 ma 1259 0.00 4230 7 ma 1259 0.00 4230 7 ma	Commission Services (1.50) SA (1.0) Commission Services (1.50) SA (1.0) Commission Services (1.50) SA (1.0) Commission Services (1.50) Service	##### C\$14.71 42711 Lights Bank Ps	gary Food Ltd GAM Action GAM Actions Ltd SSS41	S282.92	tey Emerging Market Front Thefered	Sees Point
Lieyete Same Trust Company (Chennel Islande) Ltd: Next Aug 31		The State 1.00	1889 ST Apparent III State Sta	87 Aug 75 S.D.01 - 49.0569 Goodstreed Contribution (2 to 1850 - 47.057) Good Contribution (2 to	91 S101.94 Allorgen Sten 95.50 47457 MAV FF(1946.10 - 4510M Rational Imm	raio 28	514.56 - 43045 520.50 - 43046 57.87 - 43046 57.87 - 43046 512.39 - 43554 512.39 - 43355 Fued
New York New York 151,00 1,57	Personal Exp. 11.97 6.30 296 Short	Service Science 12-73 12-22 Color 6 Color 6 Color 7 Co	1 17272 - Green Barris, Von Er	## 1 18254 10 2225 (12) - 44706	\$150.53	istment Management Ltd. Frank Global	\$09.00 - 41561 \$10.04 - 41573 \$10.00 - 43573 Investments Limited Lid _ \$278.47 228.95 - 1 47724
Starting 237.8607 4.76 45763 Page	ng Ragatie Paral (fally dualing)	TO THE PARTY OF TH	570.17 - 4580) Parker Bergin	r & Coffeetep her Mgt Ltd GAM Adocted Mg Markets Undergo Food GAM Adocted Mg Markets Undergo Food GAM Coffeet Mg	#11-Fd \$135.05 - 44937 PARTIESTE WENT	2012 S0.11 - 43801 Money to 172-1	Communication Communicatio
Scringeour Knop-Gee Mingatt, Jersey 540 Cepter Puot 153,945 6,326 - 45791 540 Income Fund	Section Sect	### Offer Trade Cop. Price Price Cop.	DM16.00 IUN	131	8 USS \$174,72 - 47931 Low Risk Fond 114,46 - High Part, Pans	Fd	\$17.20 18.17 45970 \$16.51 17.34 45677 France Lief Aut 27 1 819000 52 1 1
133 Jys Gurly (4 151.4 54.14 1.78 45030 FFF J 154 67 my Endry (4 154.5 1.14 15.78 45031 FFF J 155 687 my Endry (4 154.5 1.14 15.78 45031 FFF J 155 687 RC (as) 134 11.74 115.78 7.28 4505 FFF J 179 cold International (Jacramy) Ltd		Cipally	Processing Surface State Sta	# AUG 30. \$8.41 - \$7118 \$48 1504 - \$7119 \$48 1504 - \$7119 \$48 1504 - \$7119 \$48 1504 \$7119		Marie Divide 1820 - 46566 Fill Advisors 1870 - 46566 Fill Advisors 1870 - 46566 Fill Advisors 1870 - 46568	Aug 27 \$1036.77 _ _ Fund Ltd Aug 27 \$1147.75 _ { _
Accum Sharms)	DAI 10.782 6.42 American 10.222 2.57 Europe 10.222 2.	27.05	\$14.06 - 40.03 Bernands Ca \$14.00 - 20.137 Bernands Ca \$11.50 - 20.132 Bernands Ca Annual Ca	\$12.42 - \$5574 GAM Westerland GA	\$165.5 - 65129 Doller legens of 516.59 - 45105 Barri B	516.0 15.0 - 44501 Valu-True true 	Act 27 \$1221.97 - - -
Nerr Nichery Mit Stig 245.95 - 4959 Nerr Int Gold & General . 121.06 1.13 - 6600	ne Schiffler, L-2520 City 010 382 4767470 Incom	Finds	\$12.09 - 43572 Butqueta ball ball ball ball ball ball ball ba	pet Pemis: GAM E Special Signal Special Signal Special Signal Signal Special Signal Special Signal Signal Signal Signal Special Signal Signal Signal Signal Special Sp	STAGE - 48151 Oday Apact M	SPTISES 168 0 44655 Layle Book Family Petr A. 1875 18	Pund Limited Wasters (Scorney) Ltd g 37 - \$10.35 - 44083 ug \$1 - \$471 - 44083
No America Fe	12 13 - 4	## Roser Paul 25.89 5.17 46244 Ches B.	\$11.28 - Ind (Septency Sec.) \$10.90 - Ind (Septency Sec.) \$13.90 - State Cab. \$13.90 - Bernado Mil	D SIGNY MARY - LEGALS CAN ELEGALS	1 200 00 1 - 1 cross from Grand Pain	71	74 COLOR GRAY - - -
Pacik	Finding September 1.127 1.127 1.277	Most quantities 'X shares Margan Stantes Marg	\$10.05 - Threshold (50 North American) \$10.08 - Horn American, Spooner - 46500 Birgueri -	12.5 12.5 4857 548 10.5 1	STEAT - 45122 Opens Fate Follow - 45122 Opens Open Fate Follow Open F	87 27 - \$17.49 - \$1000 Private Captal Ve 19 27 - \$18.29 - 46857 China Fand 1 2.06 - Wellington Fd	Mages (Beruseda) Led
An St. Chart. Die Coller Yield Cop- Japan Chapt Poles Poles Poles Gris (Jan Harde March	Bounty 12.06 - easy Heelst	Can 8	23 51/59 64/51 51/59	State Sec.	AP # 25 USET #5 STODE UPDE PROVIDE FOR COMPANY	cert Messagement (1d 1512/2 1829 - 47947 1512/2 2020 - 47947 1512/3 2020 - 47947 1512/3 2020 - 47947 1512/4 2	S. IT Fund 91
Detect Street Contract 2 - 1002 3-7/2 - 4000 90 Bit	19.31 1973	Contin Transfer Cl B. \$12,45 - 445,56 Circle Brond Sep 1, sep 2 1	41938.0741 - 47965 Mapon Fd - 9101.0910 - 8101.0910 - 8101.0910 - 9101.0910 -	5700.00 103.15 - 64754 65 Gobal Spity. 30d Ltd	7 \$1323.55 OTHER RESIDENT SERVICES OTHER RESIDENT	Dies Let Victoria 17 / 2007 - 45542 Victoria Victo	## \$1.2506 - 46024 501.2873 48023 501.2873 48023 501.287
Impre Particle	Plus S-H188ba 1250 642 570 April 1250 642	Combination	55 0.09 0.12 - 48002 - 5 55 0.09 20.07 - 48002 - 6 55 0.09 20.07 - 48400 Sutterfield M	Statistic State of Section From State of Section From Sec	Freed \$10.08 - PFG totarment Free \$1.19 - Specialist Ground Free \$1.72 - Specialist Ground Free \$1.72 - Advanced Ground Free \$1.00 - Specialist Ground Free	Portiolic Fd Minut Ltd. Fd \$1.24 - 48156 - \$2.81 - 44855	COMPANY (GUETASAY) Ltd - 40433
Deliar Periteiro 5-2 2009 2009 774 2000 PS Not Deliar Periteiro 5-2 2009 2009 774 2000 PS Not Deliar Periteiro 5-2 2009 2009 774 2000 PS Not Deliar Periteiro 5-2 2009 PS Not Deliar Periteiro 5-2 2009 PS Not Deliar PS Not Delia	The Warrant 2 5 1.70 1.82 - 4711 1.82 - 4711 1.82 - 4711 1.82 - 4711 1.82 - 4711 1.82 - 4711 1.82 1.70 1.70 1.70 1.70 1.70 1.70 1.70 1.70	in Simpler Cos	222.79 - 45497 Sucress Cap Are Sucress Cap Are Sucress Equity	# Bd 15.46 - 97420 Marrie Laude left 15.46 - 97420 Marrie Laude left 15.50 Std 15.50	Ser 1. \$3000.67 - - 46155 PFC Cop Global PFC Dyment Mars	Come 311.76 - 45130 In State 1	ARAGED FUNDS SOTES RES unless otherwise indicated and draw in the prefer ruler to U.S. didner. World it in the press. After of contain cities from the press.
National Conference (1997) 1987 1	Waterant V	In it for 27 STEER 44820 Markey on The Indian Incident In	11.59 11.74 Butters 185 for 51.05 11.55 11.55 Butters 185 for 51.05 11.55 Butters 185 for 51.05 Butters 180er 1 51.07 11.05 Butters 180er 1 51.07 11.05 Butters 180er 1 51.07	investment Fund Minergt Ltd Herst Lynch	3	10.10 45587 Since Stand plant 10.10	nets unbest officereien bederatiet auch frame in in profess freie vol. 15. dichler, Wede vo. 16. dichler vo. 16.
Company Comp	(Main 1968) 8~ (17 (사망) - 역할 유민)	Michag St. Contractor - 45128 Rigido Bank (Lu Inhandarian Pand	Seminolary S.A.	9927 Fr167306.00 46943 6782.6173 Series 67841 LD73 Series 67841 LD74 LD74 LD74 LD74 LD74 LD74 LD74 LD74	1	13.00 14.20 Suppressol. 47.20	the between the property of the control of the cont
Typer Rep Typer	2- 5.07 5.08 Canal 5- 6.08 5.42 Canal Copyris - 4.00 5.16 Canal	19 15 5500.09 - 45001 Euro Index Politics Formation	295,45 - 49412 Capital Indian Prior as at August 21 Capital Indian		80 3 95006 - PRS Historical Inc. 80 5 \$111,20 - Cwell Adopting Int. 189 5 \$1267 - Cwell Adoptin Int.	1992 Department of the control of th	p. bethe Moditive Lorentzergeis.

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGE AND MONEY MARKETS Pressure on dollar

AFTER last week's poorer than expected payroll figure, the focus of many participants in foreign exchange markets will again be on the dollar/D-Mark exchange rate, writes James

DANGE COMMENT

CHECK THE THE PARTY OF THE

Section of the second of the s

The state of the s

100 %

Self No. 1 William Co. 1 Sec. 12 (Self)

The state of the s

Although there is little in D-Mark would not be in the the way of US data over the interest of German exporters. ing month.

With the August figure turning out to be a drop of 39,000 on the month compared to expactations of a rise of 144,000, the score for

£ IN NEW YORK

STERLING INDEX

CURRENCY MOVEMENTS

Sep 3

Previous Close

Sep 5 | Previous

80.7 80.8 80.7 90.7 80.6 80.7 80.4 80.5 80.5

-28.90 -11.80 -11.26 +17.04 -1.53 +5.83 +33.70 +24.05 +22.62 -9.33 -35.85 +124.85 -33.54

The Bundesbank may	L
ancouraged to	ע
encouraged to sass pol	[C
because of the strength of	41
D-Mark against the dollar, L	<u></u>
month of the court, I	88
month, Mr Hans Tietmey	er
the Rundacha	. i
president-elect, said a stro	u l
Propriettresect, 8810 8 8110	ш

next few days, Friday's payroll figure is likely to cast a shadow over the dollar over the next few weeks. It tends to be seen as an important indicator of the data in the forthcombeen released, and are UK clearing hank base lending rate 9 per cent from January 26, 1993 from January 26, 199

144,000, the scope for continuing disappointment in the US economic recovery may be high.

Expectations of a cut in official German interest rates at Thursday's council meeting of the Bundesbank could also be disappointed.

are heavily overweight in the dollar at a time when it has a strong downside. According to some analysts, fund managers would have to shed 10 per cent of their dollar holdings to get a neutral position. neutral position.

Germany has bottomed out

Sop 3	2	\$
Argentina	1.5135 - 1,9150	1.0005 - 1.0015
Autralia _	2.3386 - 2.3400	1.5470 - 1.5480
Brazii Roland		98.7500 - 98.751
Greece	346 FRO - 118035	5.8400 - 5.8600
Hang Kong		231.000 · 235.70
iran	11.6935 · 11.7055 2305.00 - 2315.00	7.7400 - 7.191U
Korea/Sthi	1202 80 - 1222 00	
Kowak	0.45300 - 0.45400	
Lucarbour		0.30010 - 0.3000 35.30 - 35.40
Makeysia	3.8440 - 3.8510	2.5510 - 2.5520
Menden	4.7055 - 4.7085	3.1110 - 3.1130
N.Zenland	27770 - 27800	1.8360 - 1.8380
Soudi Ar	5,6570 - 5,8880	3,7495 - 3,7505
Singagore	24230 - 24290	1.8045 - 1.6055
S.Af (Cm)	5.1005 - 5.1280	3.3990 . 3.3045
SAI OFTI	7.1770 - 7.1820	4.7450 - 4.7560
Tehrono	40.70 . 40.85	26.90 . 27.06

Sop 3	E	\$
Acception	1.5135 - 1.9150	1.0005 - 1,0015
Authora	2.3380 - 2.3400	1.5470 - 1.5490
Brazi	149.380 - 149.360	98,7500 - 98,7510
Roland	8.8120 - 0.8035	5.8400 - 5.8600
Greece	346.500 - 353.550	231.000 - 235.700
Hang Kong _	11.6935 11.7055	7.7500 - 7.7010
ran	2305.00 - 2315.00	1582.00 - 1584.00
Korea(Sth)	1202.60 - 1222.00	804-25 - 810,60
Kinwait	0.45300 - 0.45400	
Incesspour	53.90 - 54.00	35.30 - 35.40
Mebysia	3.8440 - 3.8510	2.5510 - 2.5520
Mondoo	4.7055 - 4.7085	3.1110 - 3.1130
Send Ar	2,7770 - 2,7800 5,6570 - 5,8880	1.8360 • 1.8380 3.7495 • 3.7805
Singapore _	24230 - 24290	3.7495 - 3,7505 1,6045 - 1,6055
S.Af (Cm)	5.1095 - 5.1280	3.3990 - 3.3945
SAI Gra	7.1770 - 7.1920	4.7450 - 4.7560
Teman	40.70 - 40.85	26.90 - 27.06
UAE .	5.5360 · 5.6610	3.6715 - 3.6735
		400.00
CU	RRENCY I	DATES
	RREACT	WIES

Sep 3	Bank 4 rate %	Special ** Drzsaług Rights	Correccy Unit
Sterling 13.5 Botter Chandlan S.— Austrian Sch.— Benjdan Fisac Denish Notne D-Mark Laber Bengdan Franc Lapsnese Yen Lapsnese Yen Spanish Kreat Spanish Kreat Spanish Kreat Spanish Kreat Spanish Kreat Greek Druch Life Pani	3.00 4.87 5.25 6.00 9.25 5.75 10 9.00 2.50 4.50	0.937696 1.46655 1.66555 18.3511 9.8975 8.58089 2.32281 2.81119 2.71119 2251.76 147.383 168.396 11.4896 2.84441 MA	0.770661 1.15614 1.63684 1.3.4170 41.2152 7.96659 1.90629 2.14163 6.76616 1840.27 122.299 8.22924 156.117 9.39625 1.57467 270.631 0.229006

1980-1	gan Guara 1982=100. 1985=100) AGO	Bank of	Englan	d (8ase	These are † Europe	onto refers to co o net quoted by on Conumbrates t rates are for S	the UK, S.	cein and h	
	EASURY BO		17) 19%			SE YEN (IM	M)		_
		1Boh	AT .			Close	High	Low	Pres
Sep	Close 121-10	121-15	120-06		Sep	0.9577	0.9587	0.9440	0.944
Dec		120-04		118-30	Dec	0.9587	0.9538	0.9450	0.945
Mar		118-28		117-23	Mar	D.980E	0.9570	0.9475	0.947
Jun		117-23	116-28	116-20	Jun	0.9626			0.949
Sep		116-24	115-28	115-21					
Dec	116-01	116-02		115-06					
Mar		115-16		114-16	DEUTSC	HE MARK (LOR()		
Jun	114-21	114-21	114-21	113-28		000 \$ per 0			
Seg	114-02	114-02	113-20	113-10		Close	Heb	CHA	Pre
Doc	113-16	113-16	113-16	112-26	Sep	0.6167		0.6060	0.608
					Dec	0.6116		0.6005	0.603
	EASURY BE		4)		Mac.	0.6079	0.6087	0.5990	0.599
\$1m po	rits of 100%				Jun	0.6050	0.6035	0.6001	0.596
	Close	High	Low	Prev.					
Seo	97.06	97.07	97.02	97.01					
Doc	96.99	67.01	90.91	96.89	THREE-	MONTH BUR	ODOLLA	R (UMMI)	
Mer	96.89	96.90	96.86	90.79	S1m po	ents of 1009	4		
Jun	90.74			90.61		Clean	Lilota	Low	
- Arker						Ç2068 96.82	High 96.83	90.77	96.7
					Sep	96.59	96.60	96.50	96.5
88/TISH	POUND (N	100			Mar	96,59	96.60	96.48	98.4
Sa oer					Jun	98,41	96.42	98.26	96.2
	- 24	184		0	Sep	98.19	96.16	96.02	96.0
	Close	High	Low	Prov.	Dec	95.79	95.81	95.64	95.6
Sep	1,5274	1.5308	1.4990	1.5012	Mar	95.71	95.72	95.55	95.5
Dec	1.5179	1.5220	1.4950	1.4844	Jun	95.50	95.50	96.34	95.3
Mar	1,5100	1.5150	1.4630	1.4044					
						RD & POOR	rs 500 t	MDEX	
225022	FRANC (INT				\$500 tin	nes Index			
	000 S per					Close	High	Low	Pres
120		_	-:-	-	Sep	461.60		460.10	461.1
	Close	High	Low	Prov.	Dec	462.45	483,50	461.00	462.0
Sep	0.7013	0.7020	0.6881	0.6914	Mar	463.35	464.30	462.00	463.0
Dec	0.6989	0.6995	0.8860	0.6891	Jun	464.35	465.30	488.00	484.0
Mar	0.6973	0.6980	0.6875	0.6877					

PHILADELI 231,250 (c	PHIA SE E	S OPTION E1)	8					
		Ca				Put	2	
Strike	Seo	0:80 7:87 5:72 3:97 2:55 1:56		Dec	Sep	Oct 0.19 0.46	Nov 0.58 1.01 1.62 2.50 3.65 5.13	De
Price 1,425	Sep 10.07	0.90	Nov 9.94	10.01	Sep 0.02 0.03 0.07 0.29 1.01 2.58	0.19	0.58	1.0 1.5 2.3 3.2 4.4 5.9
1.450	7.59	7.67	7.97	8.09 6.41 4.90 3.64 2.64 1.90	0.03	D.46	1.01	1.5
1.476	5.21	5.72	6.12	8.41	0.07	0.58	1.62	2.3
1.500	5.21 2.86 1.24 0.35	3.97	6.12 4.52 3.20 2.22 1.47	4.90	0.29	0.58 1,62 2.60 4.17 5.89	2.50	3.
1.523 1.550	1.24	2.55	3.20	3.64	1.01	2.60	3.60	- 24
1.550	0.35	1.58	2.22	2.64	2.58	2.17	6.06	7.5
1.575	0.06	0.90	1.47	1.90	4.75 1 (All cum		QLOU	7.0

Sep 3	Day's spread	Close	One month	9.8	Targe ponés	% pa
US Canada Canada Methoriamin Beligium Demmark Ireland Germeny Portugal Spain Morway France Senedan Jupan Austria Swizzarland Ecu	\$3,00 - 54,15 10,2010 - 10,5090 1,0850 - 1,0855 2,4675 - 2,4835 254,05 - 256,75 200,50 - 203,70	1.0710 - 1.0720	0.37-0.36cpm 0.23-0.18cpm 1-2-critic 52-41cph 52-7-2-critic 12-7-2-11cph 12-7-12cpt 68-86cph 68-86cph 12-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-	283 125 127 127 128 127 128 127 128 127 128 127 128 128 128 128 128 128 128 128 128 128	1,04-1,07pm 0,46-0,57pm 15-0,04b 17-1-18-pm 17-1-18-pm 17-1-18-pm 19-256 19-256 19-256 19-256 19-256 19-256 19-256 19-256 19-256 19-256 19-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	25 04 -0.5 -0.7 -0.7 -0.7 -0.4 -0.1 -0.1 -0.1 -0.1 -0.1 -0.1 -0.1 -0.1

DOL	LAR SPOT	- FORWA	ED AGAIN	\$T 1	HE DOLL	AR
Sep 3	Day's spread	Close	One month	% D&	Three months	P.
UK† Ireland† Canada Canada Heibartands Hei	1.4905 - 1.5310 1.4900 - 1.4290 1.3225 - 1.2255 1.3165 - 1.3555 35.30 - 35.70 6.7165 - 1.6290 167.05 - 1.6290 157.05 - 1.6290 157.05 - 1.6290 157.05 - 7.2023 6.7165 - 5.6175 104.75 - 1.65.95 104.75 - 1.65.95 1.12275 - 1.1675 1.4220 - 1.4235 1.4655 - 1.4335	1.5250 - 1.5270 1.4260 - 1.4550 1.3285 - 1.5295 1.3225 - 1.5295 1.3225 - 1.5295 1.3230 - 35.40 6.7025 - 6.7075 1.6230 - 18230 167.15 - 167.25 133.00 - 133.10 1597.25 - 1597.75 7.7050 - 7.7100 6.7290 - 5.7250 104.05 - 105.05 1.4290 - 1.4300 1.4290 - 1.4300 1.4290 - 1.4300	0.57-0.25cpm 0.49-0.46cpm 0.15-0.18cdis 1.54-0.57cdbs 5.30-0.35ccdbs 5.30-0.35ccdbs 16-122cds 18-99cdbs 1.80-2.35ccdbs 2.25-2.45	288 400 400 400 400 400 400 400 400 400 4	1.04-1.07pm 1.23-1.25pm 0.53-0.6005s 1.51-1.5706s 1.61-1.5300ds 1.401-1.5300ds 303-3500ds 2.49-2.500ds 8.29-6.500ds 8.29-6.500ds 8.29-6.500ds 8.29-6.500ds 9.09-10.00ds 0.12-0.100ds 0.51-0.800ds 0.51-0.800ds	2500 250 250 250 250 250 250 250 250 250
Continuencial s	nies taken towards t	he and of London tra Apply to the US doll	dae, † IJK, Iminod	and Equ	are contect in US	

			EX	CHA	NĢE	CR	oss	RAT	E\$			
Sep.3	£	\$	014	Yen	F Fr.	S Fr.	N FL	Lira	CS	6 R.	Pta.	Ecu
£	1	1.527	2.478	160.3	8.735	2.183	2.783	2423.	2.025	53,95	202.4	1,31
\$	0.855	1	1.823	105.0	5.720	1.430	1.823	1587	1.327	35.33	132.5	0.86
DM	0.404	0.610	1	64.60	3.525	0.881	1.123	977.8	0.816	21.77	61,58	0.53
YEN	6.235	9,526	15.48	1000.	54.49	13.62	17.38	16116	12.84	336.6	1263	8.18
F At.	1.145	1.748	2.837	183.5	10.	2,499	3.186	2774	2.810	61.70	231,7	1.50
S Fr.	0.458	0.899	1.135	73.43	4.001	1	1.275	1110	0.828	24.71	92.72	0.80
N FL	0.359	0.549	0.890	57.60	3.139	0.784	1	870.6	0.728	19.39	72.73	0.472
Lica	0.413	0.630	1.023	66.10	3.605	0.901	1.140	1000.	0.836	22.27	83.53	0.54
C\$	0.494	£754	1.223	79,12	4.311	1.077	1.374	1196	1	26.63		0.64
B Fc.	1.854	2.830	4.593	297.1	18,16	4.045	5.158	4491	3.755	100.	375.2	2.43
Pla	0.494	0.754	1.224	79.20	4.316	1,079	1.376	1197	1.001	26.66	100.	0.B4
Ees	0.761	1.182	1.886	122.0	8.848	1,661	2110	1844	1.542	41.06	154.0	1.
fan per	1,000;	French (Ft, per 1	10: Lira	per 1,00	DO: Beig	ian Fr.	per 100:	Peneta	per 10	D	
	_	FUE	0-6	HDD	ENC	Y IN	TED	ECT	PAT	EG		

Sep 3	Short	7 Days notice	One Month	Three Months	Stx Months	One Year
Sterling. US Dollar Can. Dollar Dollar Dollar Dollar Dollar Dollar Dollar Dollar Dollar Swies Franc Dollar Franc Dollar Franc Bellian	57 - 55 212 - 213 45 - 45 65 - 65 65 - 74 11 - 64 15 - 12 15 - 12 11 - 104 11 - 104 11 - 114	54 54 44 64 64 65 64 64 64 64 64 64 64 64 64 64 64 64 64	54 - 512 34 - 42 64 - 65 64 - 65 64 - 65 64 - 65 6 - 74 85 - 64 140 - 14 35 - 5 134 - 124 35 - 22 114 - 114	512 - 512 314 - 414 414 - 414 614 - 614 615 - 614 617 - 61 617 - 61 6	3345 4 4 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	54 - 54 54 - 54 54 - 54 57 - 54 57 - 58 67 - 58 68 - 69 68 - 69 69 - 39 69 - 39 114 - 104 114 - 104
ung term Eurodolfast: 1/3-4/3 per cent nomi	thro years 4-37 not, Short form	per cent; three pales are call to	years 4½-44 r US Dellar and	për cesit; four y Japanesa Yea; i	esto 413-425 per Mess, imo disya	cost, five years notice.
FT	LONI	ON I	ITERB	ANK F	IXING	
(11.00 a.m. Sep	3) 3 100	nths US dolle	rs	6 monti	ıs US Dollars	-
Md 3.5		offer 3-3		ld 334	offer	31.

bid 3 ₁₄	offer 3/2	PM 314	offer 31 ₈
ffered rates for \$10m o	arithmetic means round quoted to the market by the lonal Westminster Benk, E	ve reference benies at 1	11.00 e.m. each working
e Paris and Morgan G	inaranty Trust.		

		MONE	Y RAT	E\$		
NEW YORK			Treasury	Bills and B	onds	
4pm Prime rate Broker loan rate Fed.tunds Fed.tunds at Interven	213	Two month Three mont Six month	h	3,00 Sev 3,12 10-	Aeat,	4.84 5.30
Sep 3	Overnight	Orio Month	Two Months	Three Months	Six Months	Lombard Intervention
Frankfurt	6.75-6.85 712-72- 6.82-6.66 912-912 618-614	6.75-6.85 7.55-7.85 6.58-6.63 6 ¹ 2-9.5 14-14 ¹ 2 6 ⁵ 8-6 ³ 4	:	6.45-6.55 7.25-7.55 6.37-6.45 94-91 ₂ 12-121 ₂ 61 ₂ -61 ₁	6.25-6.40	7.75 6.75

61 ₂	51	SE 50 -	5755F	5555	54
• •		344			
		242	SIE	25	554 54
5%	513	3,0	25	26	51
3.0	310		205	316	~
6	53 ₀	_	_		-
		-	_	-	_
-	- 1	5%	582	5%	512
[- 1	550	54	5.4	-
- 1	- 1	558	533	543	-
-	- !				
- 1	- 1	2.95	2,97	3.04	3.21
- 1	- 1	4.3	44	***	***
- [- 1	412	44	76	-1
	- !	972	12	643	63 ₈
- 1	- 1	/1	/2	012	0.4
	6 	6 55g	53g -	559 572 572 573 574 575 575 575 575 575 575 575 575 575	6 55g

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited In conjunction with the Institute of Actuaries and the Faculty of Actuaries

IATIONAL AND			FRID	AY SEPTI	MBER 3	1993			ТН	IURSDAY	SEPTEM	BER 2 10	983	DOL	LAR IND	ex
EGIONAL MARKETS igures in parentheses frow number of lines fatock	US Doller Index	% chg (6) since 31/12/92	Pound Sterling Index	Yen Index	DM index	Local Currency Index	Local % eng from 31/12/92	Gross Div. Yleid	US Dollar Index	Pound Starting Index	Yen Index	DM Index	Local Currency Index	1983 High	1993 Low	(approx)
	142.30	+13.7	138.21	94,45	120.04	146.47	+21.0	3.48	147.50	145.70	98.69	126.46	147.87	148.84	117.39	129.1
ustralia (69)	177.24	+26.5	172.14	117.84	149.51	150.90	+28.5	1.29	175.47	173.32	117.41	150.44	150.47	177.24	131.16	152.7
ustria (17)	150.98	+13.3	146.64	100.20	127.36	131.62	+20.5	4.35	147.84	146.03	98.91	126.74	129.25	156.76	161.16	144.8
elgium (42)	126.94	+9.6	123.29	84.25	107.07	122.16	+14.7	2.78	127.59	126.03	85.37	109.39	122.65	130.38	111.41	127.7
anada (107)	229.67	+23.6	223.35	152.64	193.99	209.72	+32.0	1.08	227.03	224.25	151.91	194.64	210.36	229.97	185.11	214.8
enmark (32)		+52.5	103.13	70.48	89.57	130.35	+70.6	0.81	104.73	103.45	70.08	89.79	130.34	118.56	65.50	58.4
nland (23)	106.19		184.24	112.23	142.63	151.79	+19.0	3.04	168,44	166.37	112.69	144.39	153.44	169.17	142.72	165.2
rance (97)	189.10	+14.9	125.06	85.48	108.62	108.62	+24.0	1.94	126.67	125.12	84.77	108.60	108.60	128.77	101.59	119.2
ermany (60)	128.77	+23.8		196.75	250.07	294.98	+34.0	3.35	295.67	292.04	197.83	253,46	294.16	30 1.61	218.82	234.4
ong Kong (55)	296.44	+33.8	287.92		144.91	169.92	+44.2	3.29	169.26	167.19	113.25	145.11	169.99	171.98	129,28	158.2
eland (15)	171.79	+26.5	186.85	114.02	65.58	92.16	+52.7	1.77	77.08	76.13	51,57	66.08	91.94	78.93	53.78	59.7
aly (70)	77.75	+41.7	75.52	51.60	135.58	106.66	+28.7	0.77	158,97	157.02	106.35	136.30	106.36	165.91	100.75	115.9
pen (470)	180.70	+53.0	156.08	106.66		398.70	+51.4	1.72	404.17	399.21	270.42	346.49	396.70	405.73	251.66	237.6
	405.73	+55,2	394.06	269.28	342.24				1743.68		1186.68	1494.87	5930.95	1764.86	1410.30	1307.4
alaysia (69)	1707.70	+6.9	1711.59	1169.66	1486.54	5996.16	+6.7	0.82		183.13	124.05	158.95	156.67	185.56	150.39	167.0
exico (19)	185.56	+22.6	180.23	123.16	156.53	154.40	+22.8	3.50	185.40					62.98	40.56	43.1
etherland (24)		441.6	58.98	40.31	51.23	59.24	+33.7	3.76	62.21	61,44	41.62	53.33	59.91			
ew Zealand (13)	60.73	+28.4	171.77	117.38	149.19	170.61	+32.0	1.55	173.36	171.23	115.99	148.62	169.30	177.31	137.71	147.0
orway (22)	176.85		281.64	192.47	244.61	214.48	+33.0	1.61	287.16	283.67	192_16	246.21	212.55	289.98	207.04	191.9
ngapore (38)	289.98	+35.9		24.89	158.73	195.37	+24.3	2.65	191.42	189.07	128.08	164,10	198.63	215.29	144.72	189.9
outh Africa (60)	188.16	+27.1	182.76		116.77	139.53	+37.9	4.09	137.70	136.01	82.14	118.05	140.36	140 <i>.</i> 27	115.23	145.0
	138.43	+18.7	134.45	91.88	158.76	222.96	+28.6	1.51	183.61	181.38	122.86	157.42	221.94	196.23	149.70	161.6
	188.20	+13.7	182.78	124.92			+19.2	1.77	136.96	135.28	91.64	117.43	123.25	138.04	108.91	115.6
weden (36)	138.04	+22.1	134,07	91.62	116.46	122.34			187.78	185.49	125.64	160.98	185.49	190.10	162.00	185.9
witzerland (50)		+10.3	184.63	126.19	160.34	184.63	+9.4	3.80		186.23	126.16	161.65	168.55	189.40	175.38	169.9
nited Kingdom (218)	190.10	+5.9	183.14	125.19	159.07	188.57	+5.9	2,72	188.55	100.23	120.10	101.00	100.00	100.40	113.30	108.3
SA (520)	188.57	+0.5	100.17		484 80	440 OF	.407	3.02	157.16	155,23	105.16	134.74	148.89	158,87	133,92	149.4
	150 97	+16.8	154.30	105.45	134.02	148.25	+18.7			172.52	116.87	149.74	184.15	183.23	142.13	163.4
rope (749)	158.87	+20.2	173.13	118.31	150.36	184.61	+32.7	1.33	174.67							119.8
ordic (113)	178.25		159.83	109.22	138,81	114.02	+29.0	1.03	163.19	161.19	109.19	139.90	113.76	168.80	105.89	
acific Basin (714)	164.56	+50.0		107.59	136,74	128.09	+24.4	1.83	160.59	158.62	107.44	137.97	128.13	182.72	117.26	131.8
ro-Pacific (1453)	162.11	+34.7	157.45	122.63	155,86	184,04	+6.2	272	184.75	182.46	123.83	158.42	184.05	185.59	171.51	167.3
orth America (827)	184.73	+6.0	178.42		117.33	127.04	+25.7	2.49	137,69	136.00	92,14	118.07	127.58	139.06	112.51	127.3
MAINTERNATION (NEW 1988)	139,06	+21.6	135.06	92,32		190.19	+31.9	2.97	204.92	202.40	137.13	175.69	190.33	204.92	152,70	157.3
rope Ex. UK (531)	202.96	+30.4	197.12	134.73	171.22			1.86	160.77	158.80	107.58	137.84	130.20	162.78	118.51	132.9
ncific Ex. Japan (244)		+33.5	157,51	107.65	196.80	130.13	+23.9		167.19	165.14	111.87	143.35	144.63	168.13	134.22	140.5
orld Ex. US (1649)	162.17		163.16	111.51	141.72	144.65	+17.2	2.00		165.92		144.89		169.95		144.2
orld Ex. UK (1951)	187.99	+23.1	165.06	112.81	143.37	147.86	+18.3	217	168.98		113.08		147.88		137.29	
orld Ex. So. At. (2109)	169.95	+21.7		117.45	149.28	171.59	+11.9	2.82	176.40	174.24	118.04	151.25	171.88	176.94	157.47	160.9
orld Ex. Japan (1699)	176,94	+11.2	171.86			148.29	+16.4	2.17	169.02	166.94	113.09	144.91	148.33	169.95	137.32	144.4
		+21.7	165.06	112.80	143.37		90.791 (

Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.037 (US \$ Index), 90.791 (Pound Sterling) and 94.94 (Local); Nordic: Dec 30, 1988 = 139.65 (US \$ Index), 114.45 (Pound Sterling) and 123.22 (Local).Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987 (Local).Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987 (Local).Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987 (Constituent Columbia Limited). Nature Changes during the week ending 3/a/93: Addition: Columbia Healthcare (US). Detetions: Numer Oil & Gas (Conada), Galen Health Care (US) and Finans. Gelion (Denmark). Name changes: Taiyo Fishery to Maruha (Japan) and Westcoast Energy to Numer Energy (Canada).

							_		_	_	_				
	LONDON RECENT ISSUES														
EQI	QUITIES														
tasse Prita	Ann's Pari	Latest 1993 Stock Cloting Police				+OT	Met Dir	Tiones Covid	Gruss	P/E					
Mica	Ψ	Daile	Hgb	Lose 1		MACE	١.	URT	Lare	1	K-80				
130	F.P.	-	102 147 188-3	98 125 156	Applica Water With	67 133 1851 ₂	-3 -1			·	Γ:				
130	P.P.	:	1863	156	British Telecom (P/Pald)	1851	12	#15.6 W5.2	14	4.4 00	21 0 75				
100	11.	:	96 162	25	Crockfords	99 53	برا	, -	-		/-				
- 1	FP.	:	55 5	1 SZ	Do, Warrants	\$3 4	ጎ ጥ ተግ	-	-	. =	-				
- 1	F	-	156 70	地 7	Reducy Smitr. Co's. G For & Cal Special lec	\$ 36 A	4	. :	:	:	:				
-	F.P.		46	42	De Capital	4312	-12	-	•	-	-				
198	FP.	:	116 115	169 161	Do Units	11] 106½	₹ 1 4		-	:	-				
-	F.P.	i - i	31	10	Ragian Wananis	_81			- 1	- 1					

itace Price	Ambal Labbd 1983 Shak		1963		Price	+=	
£	•		Tight	Law .]	2	Ŀ
100	F.P.	- :	1127 ₂₀ 1087 ₂	198p 125	Regardy Physic Cen IV Creats Weeks Physic Cv Bals 2005	1120 108-2	74
			114	. 108	Ex-Lands 71/200 Cr La 2020	196 1064	١.
100	静	:	1065 ₈	984 ₀	Septemble 7pt: Cv Bds 2003	10642	"
) <u>ije</u> j] []	1864 1134	1071	Marting 6 ¹ 200 Cr Bds 2008	11312	٠,
-] F.P.]	- 1	110	107	Witer 6 op: Tols	110	ı

han Mos	Amount Paid	Lutrat Benunc	Lutest 1993 Renunc Stock	Cleang			
p	100	Date	High	Low		p	1
79975 125 185 185 185 1		22/9 12/10 3/9 22/9 28/8 13/10 4/10	15pm 8 ¹ 2pm 21pm 30pm 25pm 12pm ¹ 2pm other of second	11pm 6 ¹ 2pm 3pm 20pm 18pm 18pm 18pm 4pm a premius	Arjan Conditions Conditions Properly Lifecture Statement	14pm 7pm 21pm 20pm 21pm 12pm 14pm	± 2.4

BANK OF	ENGL	AND T	REASURY BILL	TEND	ER
	Sup	5 Aug 27		Sep 3	Aug 27
its as ofer	£200	n (200)m	Top accepted rate of electronic	5.25419	5.0949%
olal of applications	£709	R \$200m	Avange wie of distant	513369	
Solomor, accorded his	5200 598.7	15 298.730	Account on other at next tender	5.20037 \$2000	
delengs accepted hid Onlineal of minimum land	TUD	90%	Minimum accepted bid 182 days		-
WEEKLY (CHANG	E IN V	ORLD INTERE	ST RA	TES
ONDON	Sep 5	change	NEW YORK	\$ep 5	Change
Base poles	0	Uncirid	Prime prime	6	Unch'd
day Interbusk	9 51 52	-2	Federal Funds	212 3.00	4
mosts hiertunk	371	Unct'd	5 Mith. Treasury Bills	3.00	-0.98
Blad 1 Bills	5.1336	+0.0396 Uach'd	3 Man. (2)	5.15 2.87	-0.03
Band 2 Bills	5% 5%	Unch'd		1 2"	-000
Bond 5 Rate	•	-	FRANKFURT	1	Unetrid
Send 4 Buts	-	-	Our suft, intertents	7.75	+0.05
5 Mai. Treasury 198	54	tinch'd	Three most	8.80 6.50	Unchid
1 Mit Back Bills	54 55 61	Unchid	PARES	T	(
3 Math. Blanck Blanc	032	-70	Intervention Auto	6.75	Utech'N
000 000 mode			Our cuts, interfaces	770	emo-
Three marile			Three receils	7.40	-0.025
RISSAS	-	,	MEAN	1	
One mosts	144	134	One mostly	512	Heeth'd
Three media	12%	-21	Three meals	911	+40
ASTEROWAY			DOMESTICAL STREET		
One mouth	666	10.045	One month	633	
Thate much	6.41	1030	These months	67	1 <u>1</u> 2

Three marile	1 .	TOTAL MICHIEL		-0.03
ERUSSES]	1	THE ON		
One mostin 143	134	Thee most	913	Uesh'd
Three mode 12 ⁴	42%	1		+16
AUSTERDAN	6 40.045	Cos month.		
One mouth 6.65	1 40.10	Three month		1 12
		,		
BAS	SE LEND	ING RA	ATES	
%		%		%
Adam & Company 6	Сургия Рори	der Benk6	NatWestminster	6
Alfied Trust Bank 6		na 6	Nykredit Moriga	ge Brik 6.5
AR Bank 6		ank plc6	Tea Brothers	6
el lenny Ansbacher 6		Limited7	*Roxburghe Bank	Ltd 6
B & C Merchant Bank., 13		en Bank "7	* (In administration	
Bank of Baroda 6	GRobert Flems	ing & Co6	Royal Bk of Sco	
Benco Bithag Vizceye 6	Girobank	6	G Smith & Williamsn	
Bank of Cyprus	●Guirmess Ma	shon 6	Standard Charle	
Bank of Iretand	Habib Bank /	AG Zurich _6	T\$B	
Bank of India 6	el lambros Ba	nk6	OUnited Bk of Kus	
Bank of Scotland 8	Hentable & C	Sen Inv Bik. 6	Unity Trust Bank	
Berdeya Bank	OH Samuel.		Western Trust	
Brit Bk of Mid East 6		æ6	Whiteaway Laid	
etrown Shipley6	Hongkong &		Wimbledon & St	h West 7
CL Bank Nederland	Julian Hodge		Yorkshire Bank	
CAST DESIGNATION OF THE PERSON	JUSTAN PROPER	DED 0	TOTAL BOOK .	

Midland Bank6

The Co-operative Bank . 6

MONEY MAR	KET FUNDS
	Gertes High CAR last Co
Money Market	Courtis & Co Reserve Account 440 Samul, Lumin WCSR COS 071-753 (COS
Trust Funds	for paymed carbons
Cream that CAM lat Cr	250,000+
AF Money Management Co Ltd	E25,000-E36,939 3.50 2.50 3.55 027 £25,000-E36,939 3.25 2.44 3.26 027 £10,000-£24,936 2.50 1.88 2.52 027
icasis Deposit Fond 5.82 - 5.74 3-46h posits Over 21 million 6.72 - 5.65 3-46h posits Over 22 million 5.82 - 5.65 3-46h	Gustis Geograpia Account for clients manny 15 Loutined Street, Loutine CESV 940 071-623 1919 Railes negotiable up to 5.563
te COUF Charities Deposit Account Fore Street, Landon ECZY SAQ 07 1—586 1815	Dao Heng Bank (London) PLC Premier Acc 66 November Street, W1P 3LD 011-631 3313
poet	\$2,500-\$10,000 \$.00 1,75 8.00 0r \$10,001-\$20,003 6.50 4,13 5.61 0r \$20,000+\$20,000 6.55 4,00 0r
mont 5.70 - 5.82 3-Mah	Davenham Tst Pic-Davenham 506 Age
ertwore Money Menagement Ltd - 18 Moneyment St, Landon Sc3R 800 (71 -236 1425 ISA Dook (71 256 9012	210,000+ (MRRs 6.00 8.00 - (5-648) 210,000+ 1 Yest - 8.00 6.00 - Vestry
Fuel 5.19 3.65 5.00 5-Man 5.27 3.85 3.34 5-Min 5.27 3.85 3.34 5-Min 5.06 3.00 5.05 1-Min 5.07 1.84 3-Man 5.07	Fidelity Money Murket Account Fidelity Brokemae Services Ltd. Oxford House, Hidanbooysh, Kud Tyr J 1902
1.83 1.97 1.94 3-166 1.83 1.97 1.94 3-166 1.83 1.97 1.94 3-166 1.83 1.97 1.94 3-166 1.95 1.9	\$\begin{array}{cccccccccccccccccccccccccccccccccccc
Money Market	C300,000- Homer Marks Pairs on request Gentineer Money Marksagement 1.16 16-18 Money word St Leadon EC39 900 071-238 1426
	HICK \$10,000 + 4.50 3,375 4.50 3-Min
Bank Accou <u>n</u> ts	Halifax Bidg Soc Asset Reserve Cheque Acc Idally Road, Halifar RA 1296 0422 335333 Rates for procupal cambagins
B Bank High Interest Cheque Account most Ac, Interest State 0800 282115	250,000 and above 2 6.36 4.76 6.50 Or 250,000 to 549,999 8.00 4.50 8.14 Or 510,000 to 29,999 5.00 4.54 6.77 Or 55,000 to 29,999 5.00 3.75 5.09 Or
1.00-09,996	Barins for non-environmi continuous
tken Hume Bank pic City Rood, London ECTY 2AY. 071–838 8070	E10,000 to £24,999 6.26 3.94 6.36 Ob
5,000-649,990 5,50 4,125 5,64 late 0,000 or more 5,76 4,3125 5,90 late	Julian Hodge Bask Ltd 10 Window Piece Cardif CF1 36X 0222 220600
city in Acc - for purchast and brothers offsets to \$2,959 4,00 3.00 4,57 Min 1,000 - 22,989 4,75 3,9825 4,06 Min 5,000 - 24,009 5,00 3,0075 3,98 Min 1,000 or sport 6,50 4,125 5,98 Min 1,000 or sport 6,50 4,125 5,98 Min	4 Min Fixed Pater Dep Acc. 7.00 5.25 - - -
Manay maran quantum - proces tempatan	250,000 + 6.75 5.00 6.90 0x 210,000 + 6.50 4.81 0x 25,000 + 6.00 4.81 0x Humbarchyde Florance Group
fied Trust Bank Ltd -101 Casson St, Lowbo, 8549 5AD 071-828 0879 May 122 001-1 7.07 5.30 7.07 Venty	5 Bordey Way, Mosk, Besingstoke 0256 780000 C50,000+
MMA 82.007+3 7.07 5.90 7.07 Vently BMA 92.001+3 5.98 4.77 5.98 7.07 Yearly MMA 92.001+3 5.98 4.27 5.98 7.07 Yearly 24.02.001+3 5.00 2.75 5.12 MMA 92.001+3 5.0	Leopoid Joseph & Soos Limited 25 Greene Shert, London EC2V 7EA 071-508 2323 Treasury High Interest Chaput Accept
2A (02.001 +) 6.00 3.75 5.12 Mbs. (CA (02.001+) 5.50 4.13 5.54 Mbs. page 1635A 7.56 5.07 7.85 Vyatty	25.001-7100,000 5.25
DETREMIT EXCUTAGES ASSAULT LED Exper Honora, Burgoss Ha Ritti 8 9AQ 0444 232444	Gelentrart Benson Ltd 156 Feetlah Total Rd. London NWS 281 071-207 1886 U.C.A. (22.500+) 5.00 6.75 5.11 0mby
Primmere Chount	Kleinwort Bensen Private Bursk or obster of Networt Bensen Investment Bensen Lag 158 Kentist Fowe Road, Lendon NWS 287 071–267 1680 HLGA 62-500+1
1.60 2.02 Min.	I knote Rank - Insentment Account
icit of Instand Pugh Emerest Cheque Acc -40 Hoh St. Shach St.1 181. 0753 518618	71 Lombard St, London & CSP 365 1100.000 and show
1,000 + 4.25 3,100 4,378 Oir 000-19,999 4,00 3,000 4,060 Oir nik of Scotland	Midland Bank pie
Toragonaedie SI, EC29 259 871-801 8445 De Acc 22:50-234599 - 4:50 8:37 6:50 Man	P0 8tm 2, Snetheld 0742 520394 Exchequer Acc \$5000+ 425 1,18 4,25 Yearly \$10,000+ 5,00 3,75 5,00 Yearly \$25,000+ 5,00 4,12 5,00 Yearly \$10,000+ 6,00 4,12 5,00 Yearly \$10,000+ 6,00 4,12 5,00 Yearly \$10,000+ 6,00
50,000+ 5.75 4.31 5.65 Mm	250,000+ 9,60 4.87 8.50 Yearly TESSA 6.75 - 5.75 Yearly
nk of Wides — Business Accounts geory, Cardit OF1 449 mark Account 25,000+ 4,00 — 4 407 Ob deed Recognition 5.00 — 5 11 Reb	Hatismudde Bldg Soc — Businessinvestor Sustness High Interest Chaque Account Pipers Way, Swindon L, SIGQ 1909 6900 325502
relays Select	T2.000-24.999
000-23,999 4.30 1.23 4.30 Yearly 1,000-23,999 5.20 3.66 5.20 Yearly 1,000-24,999 5.50 4.13 5.50 Yearly 1,000-24,999 5.50 4.30 5.50 Yearly 1,000-29,099 6.00 4.50 0.00 Yearly 10,000-4 5.00 4.80 5.00 Yearly	100,000+,
10,000-299,369 8,00 4,50 8,00 Yearly 10,000+ 5,00 4,88 5,00 Yearly relays Prime Account H.L.C.A.	Portman Bidg Soc Prestige Checus Account Rennend HE Boorsmouth, 812 62° 000 66563 550,000 - 4,00
rolays Primo Account HLCA, 80r 123, Marikanipao, 900-C14,997 2.20 1.85 2.22 Or 500-C16,999 2.50 1.00 2.25 Or 500-C16,999 2.50 1.00 2.25 Or 5,000-C24,999 3.80 2.25 1.03 Or 5,000-C24,999 3.80 Or	\$50,000+ \$100,000-\$40,5000
500-88,600 2.50 1.00 2.52 0b 0,000-624,600 3.00 2.25 3.03 0b 0,000-1 3.00 2.70 3.65 0b	Royal Bank of Scotland plc Premium Acc
own Shipley 6, Co Ltd noise Court, foldowy, Loodoo EC2 071-606 9633 A	250,000+ 549,959 400 3.75 8.00 0r 250,000 - \$24,995 400 3.65 4.86 0r 270,000 - \$24,995 400 0r
Demand Ata	\$5,000 - \$2,999
A	Save & Prosper/Robert Fleming 16-22 Western Hd., Rombret Rell 14.9. 0800 282101 Cleart Acctent 4.50 3.38 4.50 Deby 16SSA Foad 1 Year
Burchin Least, London SC3V 97U 071-623 2070 A. 4.50 3.38 4.60 Man (301 95,000 min. 5.60 3.75 5.17 Man	Clearl Accepted
rnight	Demand Acc
MAN - 219 900 4 95 3 10 4 33 MM	HUBA E1,000+
1000-129,999	ULC Triest Limited 1 Great Combetened PL London Wild ZAL 071-258 0094
10,000-\$199,666 255 1.66 2.53 Mm	E10,000-00 day notice . 7.76 5.81 7.96 3-Mm. E10,000-180 day notice . 8.50 6.38 8.64 6-Mm. E25,000 - 1 Year 8.25 6,19 - Yearly
y other contractor wa analysis — for rates pleases 1990au est 2168	United Dominions Trust List PO Sox 135, Abony St. Reading RG 3EB Copilal Plus Chaque Actumal
Adesdale Bank Flexible Solution Acc 5.000-229-99- — 124, 041-248 7070 5.000-229-99- — 1420 3.15 4.27 0r 6.000-299.99- — 1420 3.17 4.29 0r 6.000-2199.99- — 1427 3.20 4.24 0r	1 Henry Schroder Wagg & Go Ltd
e Co-operative Bank	Special ACC
80x 300, Skeimerschig, Lenes 0345 252000	Western Trust High Interest Cheque Acc
Minder - Cord Based Current Account Balaurett.	155000-154999
00004 575 431 5 53 6-4th 0000-649,999 575 4.94 5.32 6-4th 0000-649,999 4.75 3.55 4.81 6-4th 000-649,999 3.75 2.81 3.79 6-4th	Winshiedon & South West Finance PLC 114 November St. London ECT 7A6 071-606 9485 High Ind Chequia Acc 1 5.50 4 13 1 5.61 1 Oth
Tier - Instant Access Enlags 0000+	MILTER. Comer Conducted outs of advance marries and
000-F-2,999 3.00 3.00 4 04 6-Mm 000-F-9,999 3.00 2.25 3.02 6-Mm lness Deposit - Irratin Access 0.000+	laiding abcount of the deduction of basic risty income has likel; fluids of interest psychibo offer allowing for deduction of basic rote income two finess CARC Cress rote annualised to take account of pumpounding of interest gold other than

			5	TOCK IN	DICES					
	Sep	Sep	Sep	Aug 31	Aug 27	Aug 26	High	993 Low	Since Com High	pilation Low
= 0m +00		2070.6	0000.4		3100.6				3100.6	
FT-\$E 100	3057.3	3072.6	3085.1	3100.D		3079.2	3100.6	2737.6		986.9
FT-SE Mid 260	3478.6	3489.6	3495.7	3511.9	3513.3	3494.7	3513.3	2876.3	3513.3	1379
FT-SE-A 350	1531.9	1539.0	1544.4	1551.8	1552.2	1542.0	1552.2	1346.7	1552.2	564.5
FT-A All-Share	1518.59	1525,09	1530.09	1537.21	1537.57	1527.83	1537.57	1086.13	1537.57	61.92
FT-SE Eurotrack 100	1283.60	1302,75	1305.63	1316.96	1308.15	1298.46	1319.96	1063.02	1319.98	900.4
FT-SE Eurotrack 200	1384.27	1385.48	1385.51	1396,45	1397.66	1384.05	1397.66	1144.79	1397.66	938.6
FT Ordinary	2390.7	2401.4	2403.1	2414.2	2413.0	2393.5	2414.2	2124.7	2414.2	46.4
FT Government Secs.	102.02	102.16	102.56	102.49	102.16	101.45	102.56	93.28	127.40	49.16
FT Flood Interest	124.67	124,88	125.20	124.51	124.03	123.80	125.20	108.67	125.20	50.53
FT Gold Mines	178.3	189.8	193.7	194.6	188.3	193.5	249.2	60.0	734.7	43.5
			LONDO	N SHAR	E SERVI	CE				
BRITISH FUNDS		BI	RITISH FUND	S - Cont.		В	RITISH FUN	IDS - Cont.		
Wit % Notes Price Schringe "Shorts" (Lives up to Five Years)		Last City and These	No. 2003 A±1	tes Price Echingo	Aport interest fm due 3,250 Jo10 De10	and And	dex-Licked	Wik % Notes Price Echinge	Anoni leterest Em dué	Last XI
Funding Spc 1993 + 100ml 100	2,100 Au3 Fe3	9.8 1276 1 15.4 1304 Tro 28.6 4871 Fun	Ope 2003	121世紀 1 125弘成 0.1	2,503 Mr8 Se8 1,620 Se16 Mr19 543 Jul4 Jy14 3,412 Ap25 Oc25	7.6 1274	eas. 2pc '94(1 2nc '98) 15pc '98‡‡\1	(02-9) 134(2 (02-9) 134(2 (07-9) 199(2) 0.1 (35-6) 116(2 0.1	500 Nv16 Mv1 1,200 Mv16 So1 600 Ap27 Oc2	6 10.81

Members of British

~	74 ¹ 200 199472	2041	-1	550 Sel M/7	26.7 1307	Conversion 91zpc 2004 118	43 O.1	3,412 Ap25 0c25	18-3 1246	4-20C 3617(130 b)	T7162% (L.T		723 -
o	Each 131 ₂₀ c 1994	1047	1	1,100 Oc27 Ap27	22.3 1267	91 ₂₀₀ 2005 116		4,842 Oc16 Ac16	12.3 1247	212pc '01	165/2m 0.1		18.3 1316
×	Treas. 10pc Ln. 1994##	103.	1	1,900 De9 Je9	4.5 1284	Teens 121-nc 2003-5 138		2,200 My21 Ny21	144 1295	2120c '03 (78.9)	165% 6.2	1,050 Nx20 My20	13.4 1317
.0	Each 121-pc 1994	10817	-2	1,240 Fe22 Au22	16.7 1263	74pc 2006## 1052	m 0.2	3,200 Mr6 Sc8	28 -	4°20C 0437	1134 0.2	600 Ap21 0c21	18.3 -
	Tress Spc 199411	10321	-2	1,500 My17 Nv17	13.4 1345	1 TEDE 100/14	-	2,800 Ap5 Oc5		20C '06	176 0.5	1,350 Ja16 Jy19	14.8 1314
3	1200 1935	106	-2	2,350 Jy25 Jn25	18.6 1294	ONE CONT. OH!			1.9 1334	21200 '09	158% 0.3	1,550 NV20 My20	13.4 1316
	Excts 3pc 6ths 90-95	96(3		214 Hv1 Wy1	253 1271	11005 11406 2003~7 820		3,150 Jy22 Ju22	16.6 1293	21-0c '111(74.6)	1654 0.3	1,550 Fe23 Au23	19.7 1310
_	10 ² (pc 1995	1084	2	2,500 Jo21 Jy21	14.0 1254	Treas 81-pc 2007 ## 111		5,467 Ja16 Jy16	9.8 1339	2 pc 15	1385 03	2,150 Fe19 Au16	12.7 1320
_	Tress 123apc 1995##	114&	-2	849 My15 NV15	84 1298	81 ₂ pc 2007 C‡‡ Z7		1,500 Ja15 Jy16		2 ¹ 2pc 15	178 0.5 1585 0.3 1654 0.3 1385 0.3 1406 0.2 141,6 0.2 118,2 0.2	2,206 J826 Jy26	21.6 1321
	140¢ 1996	1174	-2	770 Jy22 Ju22	15.6 (305	131 ₂₀₀ '04-8 144/3	XØ	1,250 Se26 W26	20.8 1301	2½pc 20	1413 0.2	2,400 De16 Ap16	18.3 1322
	15 4pc 1996‡‡	122,	-2	1,150 Mv3 My3	28.3 1309					21-oc 24tt 197.71	718.2 02	1,700 Ja17 Jv17	10.6 1323
	Each 13400 1996##	177日	-2	800 NV15 NV15	84 1268					41apc 301	1181 02	850 Jy22 Ja16	15.8 -
	Conversion 10pc 1996	1114	-1	3,409 Nev15 Nev15	84 1240					(b) Figures in parenth	ases show	RPI base for inde	
	Treas 134pc 1997##	128%	-31	1.290 Jy22 Jy22	15.6 1302					months prior to issue) ar	nd have been	actusted to reflect	rebosing of
-	Exch 1012pc 1997	1133	-1	3,700 ALC:1 F021	15.7 1253					RPI to 100 in January	1987. Com	version factor 3.9	45. RPI for
	Toron 63, on 1007044			5,550 Mrt Se1	26.7 341	Over Fifteen Years				December 1992: 139.2	and for July	1993: 140.7.	
	Treas 8-Lpc 1997##	10033	-,1	830 Ac27 Oc27	22.3 1269	W	& 0.2	4,321 Ap13 Oc13	8.3 1343				
-	Each 1500 1997	11213		3,550 Jy10 Je10	145 1273			1,000 13As 130c		ATTIC PROPER			
	9-upc 1998		~!	2,200 Jyle Jaile	248 -	90c 2009 107 %		2,500 M/25 5:25	19.6 1336	OTHER FIXED) IRIEM	E31	
	Treas 7'40c 1998## 1	03	-1	3,250 Mb30 SeS0	240 -	Conv 9pc Ln 2011 # 117		4.273 Ja12 Jy12	7.8 1245		Wk %	Arrot Interest	Lord Co.
	7140c 1998 B##	00/4	-1	1,400Mar30 Sep30	25.3 1331			3,100 Fe6 Au6	30.5 1701	Mater	Price Schlage		zet City
	Trees 64-pc 1995-9641	1000	-1	1,200 livi Myl	15.4 1306			1,000 Mr10 Se10			1334 C.1		1.12
	1400 '98-1	1284		970 NH22 MY22	DA IJU	THE STATE OF STATES		4,350 Mr27 Se27				50 Jp4 Jy4 188 Mr24 Se24	
-						Tress Spc 2013## 7074	-2	800 Jy26 Ja26		Asizo Dev 10140C 2009 B'ham 11120C 2012	12033 0.3 13012 0.4	45 My15 Nr15	28.3
						7 ³ 4pc 2012-15‡‡ 195				b man 11-2pc 2012	114 -3.4		
						Treas 84.0c 2017## 116		8,500 Fe25 Au25	19.7 1982	Ireland Cap 61-pc *10	116 -27	304 Ap1 Oc1 725 Ja30 Jv30	- 1465
•	Flow to Fifthern Years					Each 12pc "13-"17	26 −.1	1,000 Je12 De12	£5 1260	9pc Cap 1996	123 -4.3	315 Apl Oct	28.8 1428
	Trets 1512pc '98## 1	371\vi	-1	935 Mr30 Se30	24.8 1308					13pc '97-2 Hwdro Onebec 15pc 2011 _	16063 01	40 My31 Mx31	27.19 -
	Each 120c 1898	12211	1	3,908 My20 Mx20	£34 1256								
	Tress 91200 199814	4491.		1,900 Jy15 Ja15	8.8 1347					Leeds 13 ¹ 20¢ 2006	142 0.5	48 Apt 0c1	12.3 3145
	Exch 121 spc 1999 1	25	1	3.050 Se26 Mr.26	20.8 1264					Licerpool 312pc kred LCC 3pc "20 Aft	354 -7	5 1JaApje0c 26 1NvjeSe0e	1.8 3150 1.8 -
	Tream 1012pc 1999	118	1	1,252 NV16 My10	13.4 1288					Manager 11 Lan 2007	128 4 1.5	7 Ap25 0c25	30.3 3275
_		117\L	1	1.786 MV22 HV22	15.4 1242	Undeted				Machaeler 11 ¹ 2pc 2007. Met. Wr. 3pc B	7312 1.4	25 Mri Sai	1.8 3381
~	900 20001H	11212		4.758 Se3 Mr3	28,7 1244	Consols 4pc 52		359 Fe1 Ap1	25.6 1239	N'wide Anglia 33-pc 2021.	1374 0.1	50 Ja30 Jv30	8.1 3465
9	Trese 15pc 2000	1325	_	2.171 Ja14 JV14	7.6 1299	War Loan 31200## 42		1,909 Jel Qc1	26.4 1352	4 apc 8. 2024	13324 0.4	50 Fe23 A/23	20.7 -
3	10nc 2001	117!1		4.408 Ad26 Fe26	20.7 1280		<u> </u>	122 Ap1 Oc1	20.8 1243	4 4pc 8. 2024	13874 0.7	OU FRESH ADZI	200 -

TELFORD 25™ BIRTHDAY

THE FINANCIAL TIMES PLANS TO PUBLISH THIS SURVEY ON Monday 13th December

REVIEWING THE PROGRESS AND FUTURE OF TELFORD ON THIS SPECIAL DAY

Telford has the largest concentration of Jepanese industry located in any town in Europe, as wall as many succassful companies from all over the world.

This success story will be of particular interest to 139,000 senior businessmen in the UK alone who read the weekday FT.

To find out how to reach this important audience with your services, expertise and products, and to wish Telford a Happy Birthday, call

Paul M Jefferla Tel: 021-454 0922 Fax: 021-455 0869 George House, George Road Edgbaston, Birmingham B15 1PG

* Data source: BMRC British Business Survey 1993

BusinessWeek

This week's topics: Honda: Can It Get Back On Top? Britain's Mobile -Phone Madness Sweden: A Corporate Rebound Japan Talks Deregulation At Last

NAFTA: Free -Trade Fracas

(For subscriptions: From UK call 0628 · 23431) Now available at your newsstand!

BusinessWeek International 14, av d'Ouchy, CH-1006 Lausanne Tel. 41-21-617-4411 For subscriptions call UK 44-628-23431 Hong Kong 852-523-2939 NY TREESTS - Cont.

. ..

1.5

igentig Grand State State State Grand Grand

ga bayan ar Alama Alama ar ba Alama Alama

+\14 -\18 -\14

.14

-14 -14 -12 +14 -14 -12

Trie and

| Mathematics |

- H -

- D -

1903 High Low Street 4-5, 11-6 Crystal Br 5-5, 16-5; 2012 and 19-5; 14-4; Column Engin 13-7 12-5; Column Engin 13-7 12-5; Column Engin 11-7 6-7 201 Peet 11-7

4 pm clase September 3

| 1969 | Less Special

The transfer of the second

- C -يا۔ 43 and and and an analysis of the same يا. دونه 化水子 经有一次的的存储法 经外的目录 化 化水子水杨 经通过的 经经济的经济的现在分词的 经有的经济的经济的现在分词的

the transfer +12 ちゃなな ***** *****

| Tell | February | Tell | Tel - F -

- E -| 173 | 3 | 278 | 278 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 234, 171, 887 hr.
5 27, CM Promi
154, 55 201, Promovi
154, 55 201, Promovi
1552, 111 187 Promovi
1553, 111 187 Promovi
1554, 111 187 计分子法 计分子设计分子设计分子设计 计计算设计 计设计设计设计 计设计 计设计设计设计 计设计设计

| 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195 | 195

- J -

3.88 7.5 2100 45% 47% 444 47% 4 47%

40½ 40½ J Rhar PF 45½ 41 J Rhvar L 5½ 16½, Justipes Br 25½ 16½, Justipes Br 25½ 25½, Justipes Br 25½ 32½, Justipes Br 25½ 3½, Justipes Br 25½ 3½, Justipes Br 25½ 35½, Justipes Br 55½ 35½, Justipes Br 55½ 35½, Justipes Br 55½ 35½, Justipes Br 25½ 35½, Justipes Br 26½ 35½, Justipes Br 26½ 35½, Justipes Br 26½ 35½, Justipes Br

4 바 바

14 112 14

- G -

- G
3.28 7.2 12 531,

1.40 3.5 27 145 397,

0.68 12 19 78 573,

1.86 5.1 17 4576 397,

2.48 7.3 25 337,

1.25 07 5 167,

1.25 07 5 167,

1.25 07 5 167,

1.25 07 5 167,

1.25 07 5 167,

1.25 07 5 167,

1.25 18 48 314,

0.04 0.6 16 22 11 41,

1.22 28 16 1520 511,

0.40 1.5 10 5800 275,

1.00 7.8 132 123,

1.00 7.8 132 123,

1.00 1.5 8 119 4197,

0.50 3.5 17 180 17,

1.50 3.7 13 2352 977,

1.50 1.7 13 2352 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977,

1.50 1.7 13 2358 977

551- 481- 6AIX 3.875
41 311- 6AIX Corp
67- 477- 6200 Corp
71- 54 GRE and
371- 344 GRE 2.475
113- 321- 6RE 2.475
113- 0.70 Selves Eq. x
371- 351- 6Aix Gree
113- 115- 6Aix Gree
115- 1

45\cdot 45\cdo

191₈ 222 391₈ 681 251₈ 8 3 251₈ 8 3 72₈ 15 382₈ 251₈ 251₈

년 년 년

- N -371, 251, NSB Bancp 1.04
73 6012 NSH Dom 1.00
73 6012 NSH Dom 1.00
73 1012 NSS 8.8
8.90
8.94 431, Nacco Ind 0.88
8.91
374 371 4 NSS 8.8
8.90
371 2514, Nacco Ind 0.89
371 2514, Nacco Ind 0.90
372 371 184 Ind 1.52
372 372 Not City 1.08
874 574 Not City 1.08
875 1012 Not Sarou 1.04
10 251 Not Sarou

-1_a された 上がなか

-1₈

.↓ .↓

* ******** **

11 7 0 H M Crp
38-1 10 1 Dak Into
28 17-1 Dakond His 0 08
21-2 18-6 October 1.00
31-6 17-8 October 1.00
31-6 17-8 October 1.00
31-6 17-8 October 1.00
31-6 17-8 October 1-0
25-1 27-1 Date East 1-0
25-1 27-1 Date East 1-4
4-50
64 55 OntoE4-5-6 4.56
100 28-0 DritoE7-24 7.24
101 89-1 OntoE 5-4 5-6
100 28-0 DritoE7-24 7.24
101 89-1 OntoE 5-6 4.56
107 102-1 OntoE 5-6 8.54
107 102-1 OntoE 5-1 9-12
38 33 Oktan 63E 2.66
4-10 100-1 OntoE 5-1 9-12
38-1 30-1 OntoE 5-1 9-12
38-1 30-1 OntoE 1.00
25-1 13-6 Opport MS 1.00
25-6 1-1 OntoE 1.00
25-6 1-2 Opport MS 1.00
25-1 1-2 Oregon 5-8 0.50
25-1 1-2 Oregon 5-8 0.50
25-1 1-2 Oregon 5-8 0.50
25-1 15-1 OntoE 1.00
25-1 15-1 - 0 -

3

+1099914 141414

大田 大学者 大学 中 大学大学中 十十年

Samsung Personal Fax Telephone Answering Machine Automatic Paper Cutter 60 Locations Automatic Dial ELECTRÓNICS

NYSE COMPOSITE PRICES

- Y -2 25 26 40 by We Corp 1.20 2.5 8 2205 42 by 11 k, 41 by 12 20 20 y teason by 0.44 1.7 479 25 5 25 25 25 4 1 k, 41 by 12 20 20 y teason by 0.44 1.7 479 25 5 25 25 25 4 1 kg 12 20 20 y teason by 0.50 5.4 8 146 18 by 12 20 y 12 20 y 12 12 kg 1 | Sol. | 171 | Wilder Indiant | 1.26 | 2.8 | 10 | 258 | 455 | 444 | 45 | 444 | 45 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | 445 | - W -**AMEX COMPOSITE PRICES**

4 pm close September 3 Shock Disc. E 108s High Low Close Clarg

Actino Car

Act Magn

53 25 185s 105s 105s 12s

Ar Bayr

Althour

21 54 11s 15s 12s

Althour

21 54 11s 15s 12s

Anniver Pa 0.22 10 5 30 5 35 1s 5 2 1s

Anniver Pa 0.22 10 5 30 16 10 10 16 11 1s

Anniver Pa 0.22 10 5 30 16 10 10 16 11 1s

Anniver Pa 0.22 10 5 30 16 10 10 16 11 1s

Anniver Pa 0.25 10 5 30 16 10 10 16 11 1s

Anniver Pa 0.25 10 5 30 16 10 1s 16 11 1s

Anniver Pa 0.25 10 5 30 1s 10 1s 15s 11 1s

Anniver Pa 0.25 10 5 30 1s 10 1s 15s 11 1s

Anniver Pa 0.25 10 5 10 1s 1s 1s 1s

Anniver Pa 0.25 10 1s 1s 1s 1s 1s

Bash Ocean 0.30 1 32 3 1s 1s 1s 1s 1s

Bash Ocean 0.30 1 32 3 1s 1s 1s 1s 1s

Bash Ocean 0.30 1 32 3 1s 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 12 37 1 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 1s 1s 1s

Bash Man 1.29 11 1s 20 1s 2s 2s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 11 1s 2d 1s 1s 1s 1s

Bash Man 1.29 1s 1s 1s 1s 1s

Bash Man 1.29 1s 1s 1s 1s 1s 1s

Bash Man 1.29 1s 1s 1s 1s 1s 1s

Bash Man 1.29 1s 1s 1s 1s 1s 1s

Bash Man Hastro Health Cit Health cit Helco Cp Hattawan HornErick HornerianA ICH Corp Instructor Int. Corns Interment Interment Internet Jan Bell Kalema Kanack Cp Kirby Exp Laberge Laser Ind Les Pherm Lional Cp Laseex Inc Lynch Cp

The state of the s

Mater TSC Mercass Mercia A Men Ce Mong A MSR Equi Mat Pleat Nat Pleat Nat Pleat Nat Can Ca Nat Can Ca Nat Can Ca

GET YOUR FT HAND DELIVERED IN COPENHAGEN, AARHUS, AALBORG, ESBJERG AND ODENSE.

If you work in the business centres of Copenhagen, Aarhus, Aalborg, Esbjerg and Odense we'll deliver your daily copy of the FT to your office at no extra cost. Call Erna Pio for details on Copenhagen 3313 4441.



NASDAQ NATIONAL MARKET

Steck Bis. 0 1886 Law Last Camp II Dataccape 13 410 14 19¹4 13¹4 1¹4 19 12 12 Deb Shope 0.20 17 122 Gl₂ 55 6 6 4 15 Deb Shope 0.20 17 122 Gl₂ 55 6 6 4 15 Deb Shope 64 0.20 17 122 Gl₂ 55 6 6 4 15 Deb Shope 64 0.20 17 122 Gl₂ 55 6 6 4 15 Deb Shope 64 0.20 27 100 22 24¹4 24¹4 10 Deb Shope 64 0.20 27 100 22 24¹4 24¹4 10 Deb Shope 64 0.20 27 100 22 24¹4 24¹4 14¹4 14¹ - E -

Fall Grp 10 201 6-1, 8 812
First Cp 0.24 7 55 7 82 6-2 -12
Fisconal 0.03 47 524 25-1, 25-1

+12

Brand Com Bresco Bruno 8 BSB Bruny X ST Shipung Bullets Bullet - C -

Harding A
Harthryy 6
Harthryy 7
Harthry 8
Hart

FR Sys
RF int
BB Commis
BS Intel
BB Commis
BS Intel
BB Commis
BS Intel
BB Commis
Brancher
Intel
BB Commis
Inte

- D -

<u>-1</u>₄

69 102 8 6 9 +½
475 304 474 4½ 4½
15 35 3562 553½ 55½ 5½ 1½
20 1946 303 ½ 5½ 35½ 1½
20 1946 303 ½ 5½ 35½ 1½
20 1946 303 ½ 5½ 5 5½
5 7671 32½ 5½ 5 5½
8 2100 24½ 24½ 2½
11 475 53 1½ 30½ 30½
11 45 55 31½ 30½ 30½
11 10 555 14 13½ 13½ 1½
11 10 555 14 13½ 13½ 1½
11 10 555 14 13½ 15½ 1½
11 10 555 14 13 16½ 1½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 22 23 ½
2511990 22½ 23 ½
251191 11½ 11 11 1½
25 309 5½ 5½ 5½ 6½ 1½
6 501 6 7½ 6 1½
25 1741 11½ 11 11 1½
25 399 7 6½ 6½ 1½
25 1741 11½ 11 11 1½
25 399 7 6½ 6½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
36 3041 22½ 20½ 2½½ 1½
37 30 2041 22½ 20½ 2½½ 1½
38 30 600 3½ 3½ 3½ 3½ 3½
39 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½
30 600 3½ 3½ 3½
30 600 3½ 3½
30 600 3½ 3½
30 600 3½ 3½
30 600 3½ 3½
30 600 3½ 3½
30 600 3½
30 600 3½ 3½
30 600 3½
30 600 3½ 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3½
30 600 3 -1-

さんなななななななななななななななな

+38

- P - Q
Paccar 1.00 20 684 65 63¹4, 64

PacCarlino 0.50 18 244 14¹4 13⁷6, 14

Paccific T 1.32 15 65 24¹2, 24 24¹2

Paccific T 1.32 15 65 24¹2, 37 37¹2

Paccific T 77 38¹4, 33 39¹4, 32 39¹4

Payce Am 22 68 67 21¹2, 12 12¹2

Pann Try 8 20 12¹2, 27¹4, 27¹4

Paccific T 64 36 33 35

Penseyt x 220 18 61 28¹2, 27¹4, 27¹4

Penseth 1 41 33 4¹4, 4¹2, 4¹4

Penseth 1 41 33 4¹4, 4¹4, 4¹4

Penseth 1 41 33 4¹4, 4¹4, 4¹4

Penseth 1 42 21 18 36 36 36 36 36

Pharmacy 25 13 7¹4, 6¹4, 6¹4, 7¹4

Plocation 1 5 1671 4¹8, 4¹8, 4¹8

Plocation 1 5 1671 4¹8, 4¹8

Plocation 1 5 1671 4

| Miterifiech | 10 100 | 14 13 \(^14 13 \) 2 \(^14 \) Middle Tel | 173 3954 | 32 \(^25 \) 31 31 \(^14 \) 14 \(^14 \) Modern Co | 0.28 17 | 132 | 6 \(^14 \) 81 \(^12 \) 2 \(^12 \) Modern M \(^12 \) 0.46 | 19 | 301 | 22 \(^14 \) 22 | 22 \(^12 \) 2 \(^14 \) Modern M \(^12 \) 0.46 | 19 | 301 | 22 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 33 \(^14 \) 34

- N -

*** ***

+12 +14

444

- 0 -

+12 رل<u>ہ</u> 2ا۔

| Wanner Sn | 0.50 | 22 | 174 | 25¹4 | 24¹4 | 25 | Wanner Sn | 0.50 | 22 | 174 | 25¹4 | 24¹4 | 4¹5 | 4¹76 | 7472 - X - Y - Z -

| Miller | 33 | 358 | 42¹2 | 41¹4 | 42¹2 | 45²4 |

Bit. E 1900 High Law Last C

8 93 8¹-2 6¹-2 9¹-3

0.50 8 666 6²-6 6²-6 6²-2

73 351 20¹-2 18³-4 20¹-2

0.12 1 14 4³-3 4 4

15 115 4 37²-3 8²-2 37²-3

56 125 5²-5 5³-5 5³-5

11 8 7 6³-4 7

0.24 20 1702 25³-4 25³-2 25³-1

1.04 12 21 44 43³-2 48

0.54 12 810 29³-2 29 28

0.12 15 1063 19²-2 18³-2 18³-2

10 1395 21³-4 20³-4 21³-4

10 1395 21³-4 20³-4 21³-4

10 20 23 152 19³-2 18 18³-4

1 0.20 23 182 19³-2 18 18³-4

2 1 483 11³-1 19³-1 19

- U -

- U
155 Hither x 0.84 2118255 47²2 45¹2 47³8 + ¹4
Unitab 3 378 6⁵8 8³8 6¹2
Unitables x 0.98 16 230 230¹2 10¹4 23¹2 + ¹4
US Trest 1.88 13 88 54¹4 53¹4 54¹4 + ¹4
Uoined S 0.40 14 7 14 31²x 13⁵8 - ¹8
Unitog 0.30 16 22 31¹4 20¹2 20¹4 - ¹2
Unitog 0.30 16 22 31¹4 20¹2 20¹4 - ¹2
Unitog 0.30 16 22 31¹4 20¹2 20¹4 - ¹2
Unitog 0.30 16 57 20¹2 24¹4 23¹4 - ¹4
US Energy 1.79 40 6 5³6 5³6 - ¹4
US Toorp 0.32 38 465 16³8 10³8 10³8 10³8 + ¹4
Usi Tolev 9 41 u36³4 20 35
Usix 13 751 u7 6³4 6⁵8 + ¹4

- V -

MONDAY INTERVIEW

Into extra time in Japan

Gary Lineker, former England footballer, talks to **Charles Leadbeater**

he man widely regarded as The Greatest Living Englishman hobbled around the corner. He delivered e melting smile and offered to huy me an orange juice in the canteen.

"Oranju jusu, futatsu," he asked in impeccable beginner's Japanese. When the canteen manager refused to take his yen in payment, he remarked quietly: "That's nice - free orange juice."

An international sports superstar, earning thousands of pounds a week as the bestpaid foreign player in the Japanese soccer league's first season, he is still pleasantly surprised at getting a free orange juice. The answer to my main question was already becoming clear hefore I had asked it: Gary Lineker really is a charm-

And even limping with a hro-ken toe, and dressed in drab hlue jeans and T-shirt, he maneges to look good, horribly good. Tanned and muscular, with deep brown eyes, slightly greying temples and almost always smiling broadly, he bas become a household name in Japan, even though his bad toe has kept him out of the game

for most of the season. The 32-year-old striker's first serious injury has been a hig frustration. He bas sat on the sidelines as the J-League has taken off, and watching football has become Japan's most fashlonable pastime with crowds of up to 60,000 a game, while his team Nagoya Grampus Eight has fallen towards the bottom of the league and a clutch of unknown Brazilians has taken their team to the top

of the table. Yet, for all that, and in spite of Japan's often torrential summer rain, the move from Lonion's l'ottei a Hotspur bas reinvigorated the man who came within one goal of Bobby Charlton's record of 48 goals in an England shirt.

"To be honest, I have been surprised that the standard has been so high. There are no negative espects to the game. Everything is so positive," be

Lineker's excitement is due not just to the J-League's early popularity. It is more than that. Japan, a land where formal good manners are the norm, and Lineker, known as the politest man in British sport, were made for one

The most striking thing about Lineker is how personable and modest he is. Yet beneath his apparently effortless politeness, he is extremely controlled. Words are carefully weighed, judgments are measured and rare criticisms are usually indirect.

Lineker admits to loving football. Yet hy the end of his career with Spurs his motivation for league games was flag-ging. The move to Japan, where stadiums are packed to capacity with noisy, flag-waving crowds of mainly young

people, has revived him.
"The crowd are what make it," he explained. "Wherever we play the grounds are sold out and colourful. The greatest thing is that the crowd is not at all cynical. Because it is all new to them, they think the wbole thing is exciting. Even if you are losing three-nil they still get behind you, and to be honest I have found that really refreshing. It is much easier to motivate yourself here."

The Linekers - wife Michelle, eldest son George (recovering from leukaemia) and recent arrival Harry – are set-tling well in industrial Nagoya, three hours south of Tokyo.

"Culture shock is lots of little things," reflected Lineker, who also played in Spain for Barcelona in the mid-1980s. "We do most of the same things we dld in England: eat out, see friends. Living here has been great, a once in a lifetime opportunity."

His travalls with Japanese (he speaks Spanish fluently) make his work more difficult, even though most of the terminology of Japanese soccer "shootob", "offu sidoh" - is
borrowed from Eoglish. Language apart, Lineker said that working for a Japanese com-pany - Grampus Eight is the Toyota works team - was no much different from working

for a British one. "You have to be very patient and explain things, and accept that sometimes they will not listen; they do things their way. We train a little longer than in England but not as intensely. There are far more people in the club office, but that is one of the ways they

keep down unemployment." The J-League's success has done more than renew Lineker's enthusiasm. It bas also given him a wider perspective on the sbortcomings of the English game.



'It is much easier to motivate yourself here'

Wednesday's match against Poland, which could mark its exit from the World Cup, Lineker has some advice ebout how the English game should he restructured to make it more internationally competitive - although, as usual, the criticism was delivered by implication.

Here they are prepared to listen to players and managers, which is certainly something they could learn from in

The explanations for

PERSONAL FILE 1960 Born, Leicester. 1978 Joined Leicester City,

Began three seasons in Barcelona. 1988 Won Golden Boot Award for highest goalscorer in Mexico World Cup Finals. 1989 Joined Tottenham Hot-

1991 Baby son George con-1992 Ended England career with

60 caps as second highest scorer ever. 1992 Joined Nagoya Grampus

England's demise moved Lineker to the boundaries of his world of carefully chosen, diplomatic phrases. There were hints of hitterness about the unhappy end to his own career (he was substituted in his final game for England) and even a touch of injured pride, if not self-interest: "It is hard to see us qualifying [for the World Cupl, and that would be a big blow to the game. Things look

"I just think that we have to hring back the best players who have been dropped. We have proved beyond doubt now

international level unless you play your best 11 players. At that level it is not about hustling people and winning the hall all day long, you have to have a bit more than that."

He would not say that he should still be playing for England, but remarked, "We showed in the 1990 World Cup that we could compete with the best in the world. That all seems to bave been tossed aside too soon.

He does not lay all the hiame at the door of Graham Taylor, the little-loved English manager. The root of the English game's troubles were in the way youngsters learnt to play. Lineker said.
"We will never be as techni-

cally gifted as other countries until we change the size of pitches our kids play on. They play on massive pitches, so they are taught to boot the ball as far as possible to get it to the other end. In other countries, Germany and Holland, they deliberately play on smaller pitches so that they learn how to pass.

"If we banned youth football on big pitches, then we might start competing interna with consistency, rather than occasionally."

The professional game also needed reorganisation, he argued. "We have to cut down the amount of fcotball we play. because we just get lots of injuries. The quality of the game suffers, players are never fresh. In the Italian league they play fewer games, the players are fresber, quicker, better. We should get rid of one of the cup competitions and cut the league down to 18

Vlewed from Japan, the weaknesses of English football that you cannot compete at are very much the traditional

but theoretically adjustable. exchange rate system in 25 years. In the immediate postwar decades the US was the proud anchor of a global version of the ERM known as the Bretton Woods system. It broke down for painfully familiar reasons. The US failed to keep inflation under control in the late 1960s, thus undermining the existing set of exchange rate parities. The strains were magnified by the

he blowing apart of the European

exchange rate mecha-

nism last month was

the second failure of a fixed,

the

today's standards hnt still a destabilising influence. As both the US and Germany have failed to provide the sta-hility required of anchor nations, and as no other anchors are in sight, should the world's monetary authorities accept that floating rates are here to stay? Most US economists would say Yes. With \$900bn of foreign exchange transactions occurring daily, they believe governments cannot hope to do more than influence the pace of currency adjustments through shrewdly

timed interventions, such as

the US move last month to sup-

growing mobility of interna-tional capital - small by

port the dollar. Free market economists are comfortable with floating rates because they regard the exchange rate as a price: the price of one money in terms of others. They see the case for flexible rates as part and par-cel of the general argument for flexible prices. Since governments have no means of discovering what constitutes a correct or "equilibrium" exchange rate, they should not attempt to dictate to markets. Price rigging inevitably creates distortions, whether the mar-ket is for fish, coalminers or

the pound sterling. This argument is actually less strong than it appears. The essence of market mechanisms is that they are tailored to the different circumstances of particular economic agents. All real prices are the prices of particular commodities and

on currencies

on AMERICA

services. Aggregate price indices - such as the consumer price index - are stetistical constructs with little economic meaning. Consider what happens

when the exchange rate is devalued by, say, 5 per cent. At a stroke all domestic prices are reduced by this amount in terms of foreign currencies. The economic circumstances of every exporter are miraculously improved. The gains are reaped by efficient and inefficient alike. This is more like a government decree ahruptly changing all prices than a true market mechanism. Compare this with what hap-

pens with fixed exchange rates - when the value of one money in terms of another is held steady. Since currency movements have an economic impact only hy changing the ratio of domestic to foreign prices, all the benefits from devaluation (or revaluation) can still be reaped by changes in domestic prices. If domestic prices fall by 5 per cent, they will fall by 5 per cent in foreign currency terms without any change in the exchange rate.

The difference, of course, is that not all prices would fall by the same amount. If trading conditions abroad were tough, efficient companies would reduce costs more rapidly than the less efficient, deservedly gaining market share in the process. The impact of these cost changes would then filter unevenly through the whole domestic economy.

When free market economists hail the virtues of flexible exchange rates, they are implicitly accepting the Keynesian dogma that domes-

tic prices (and wages) are irre-trievably sticky. They need to wave the macro wand of the exchange rate only because the micro economy is inflexible. Yet since the efficiency of a market system depends on the flexibility of prices and wages,

this is a dangerous concession.
Why should the public always be deemed incapable of accepting the fact that flexible prices are good for everybody in the long term, even if the need for occasional falls in individual prices (or wage rates) requires a temporary sacrifice by some groups? In the 19th century falling prices was regarded as perfectly normal, and not as a harbinger of doom; if productivity is rising they are not inconsistent with

rising real wages and profits.
Flexible rates are very much
a second best solution. They
rarely hring lasting benefits: the dollar has been devalued 60 per cent egainst the D-Mark and 70 per cent against the yen since 1968, without a conspicuous improvement in the US trade performance. Yet the wild gyrations of flexible exchange rates impose significant costs, because they undermine the ability of producers of real goods and services to plan for the long term. It is no accident that protectionist pressures began to intensify after the collapse of Bretton Woods in the early 1970s.

Creating zones of currency stability will never be easy. But the success of the 19th century Gold Standard suggests that fixed rates are compatible with the kind of economic strains experienced today. Capital was highly mobile then and big economic shifts occurred, such as the rise of Germany as a manufacturing power. But the credibility of the Victorian commitment to low inflation, irrevocably fixed exchange rates and flexible domestic prices and wages were indispensable props, The fact that we have to rely on the blunt instrument of floating rates today should be seen as a mark of failure, a sign that the commitment to market principles is still very partial in most

Of broking and jobbing the Pelikan's fond, See how sweetly he puts your word onto bond. **JOTTER PAD**

weaknesses of British industry:

a reliance on high-volume,

poorly marketed products of

variable quality and limited

innovation, which require players of great strength hut

only middling skills, exactly

the qualities both the indus-

trial and football training

systems are designed to

Lineker disavowed any amoi-

tions to return to England as a

football manager after his two-

year stint with the Nagoya

team. Yet, after his experience

of the J-League success, he

could emerge as an eloquent

critic of the way the British game is ensnared by the medi-

ocrity of much of its manage-ment, "It would be nice to put

something back into the game,

some of these ideas. But that is

very difficult in England

because they do not tend to

listen to players. Maybe It will

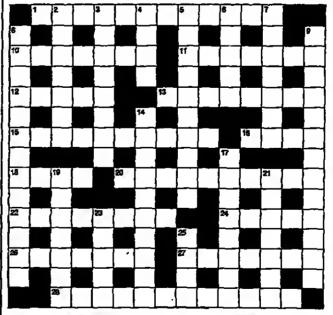
change one day, but they are

not receptive to new ideas."

deliver.

CROSSWORD

No.8,246 Set by GRIFFIN



1 Replaced herd or bought a pedigree animal (12) 10 Leaderless gang takes Heather fishing (7)
11 Make damp site better in e

12 Front bulb, alight but dail (5) 13 Uproar caused tribe to leave old city (8) 15 Had any wide wheels placed out of sight (6.4) 16 Check one taken from site by

motorway (4) 18 Silly craze rejected last night 20 Conservative leader abandons argument - that's a change!

22 Person responsible for buzzers (8) 24 Deserve backing of weary

Frenchman (5) 26 Point to very good preserve for gowmet (7) 27 Oriental cooks tease sailors

28 Distinguished eggbend takes It to be an island (5,7)

2 Hollow-eyed witch has to pull up (7) 3 Check pipe overturned by ani-

4 Strong desire to drive (4) 5 Put down for a duel I'm hit badly (10) 6 Taking shower said what Queen should do (5)
7 City editor returns to it around mid-afternoon (7)

Stupidly decry hroth as e source of food and energy (13) 9 Tracing Mini in crasb thereby indicating guilt (13) 14 Golf scores sent round to fli-er's home (6,4) 17 Animal group order sheep to be raised first (8) 19 Sick fellow first to find fault

21 Netional airs transposed by Samuel's teacher (7)
23 Wake up or take up exercise

25 Finding bearing during service raised alarm (4)

The sololion to last Saturday's prize puzzle will be published with names of winners on Saturday September 18.



FX and GOLD 24 HR DEALING

CAL Femores Lid

NO MORE DANCING! SATQUOTE™ - Your single service for real time quotes. Futures * Options * Stocks * Forex * News * Via Satellite

NEW YORK +212 2695636 FRANKFURT +4969 440071

BERKELEY FUTURES LIMITE **&OPTIONS** 38 DOVER STREET, LONDON WIE 2RB TEL: 071 629 1133 FAX: 071 495 0022

TRADERS FOR AN EFFICIENCE THE BEST INFORMATION IN YOUR HAND

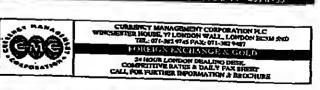
Fatures Pager delivers constant updates on currencies, futures, indices, interes ides and compodities 24 hours a day, with prices and news both direct fro Reuters, Wby try and do without ft? Call 071-895 9400 for your FREE trail. FUTURES PAGER



Currency Fax - FREE 2 week trial from Chart Analysis Ltd 7 Swallaw Street, London W19 7HD, UK -Tel: 071-734 7174 Fax: 071-439 4986 exchange rate specialists for over 20 years

FOREXIA FAX \$ £ DAILY FOREIGN EXCHANGE COMMENTARIES, CHARTS, FORECASTS AND RECOMMENDATIONS

Market Myths and Duff Forecasts for 1993 The US dottar will move bignes; precious metats have been needsted; Jopanese equifics are not in a new buil trend. You did DT read that in FullerManey - the legacotastic investment letter. Call Jane Forduharson for a sample base (once only) Tel: London 71 - 439 4761 (07) in UK) or Fax: 71 - 439 4765





DO YOU WANT TO KNOW A SECRET? The LD.S. Gann Sentiner will show you how the markets REALLY work. The amazing trading techniques of the legendary W.D. Gann can increase your profits and contain your losses. How? That's the secret. Fling 061 474 0080 to book your FREE place.

FUTURELINK The fastest, most reliable, cost effective real-time FUTURES, FOREX and NEWS acrysos evallable via FM within Landon. CALL HYETRON ON 01 40 41 93 43

As England prepares for EC's northern exposure

Nordic countries over their applications to join the European Community are likely to be the subject of a growing number of newspaper reports in the next few months.

As negotiations get down to the toughest issues - particu-larly the demand for special treatment for the Arctic regions - doubts may be raised about whether agreement can be reached. From the EC point of view, a serious question remains: do the Nordic countries - Finland, Norway and Sweden - really want to join the Community?

There is no easy answer. Consider the following example: few harbours in Europe outside the English channel are as husy with passenger ships as Helsinki, the capital of Finland. Every day, liners with unlikely names like Cinderella manoeuvre in and out of the small port, dwarfing the rocky Islands that guard the

Some head south for Tallinn. plying a fast-growing trade with Estonia. The biggest and sleekest glide westwards towards Stockholm. Some passengers on board are genuine travellers, preferring the overnight journey by sea to the high cost of flying around the Nordic region. But many are simply along for the cruise.

Finns, Swedes and Norwegians enjoy these Baltic jaunts chiefly because they can stock up on duty-free booze. Drink on board is a good deal cheaper than in their state alcohol

The EC wants to break these monopolies. If it succeeds, the price of drink on dry land would fall. But people are not cheering on the EC negotiators. Rather, the three Nordic governments are resisting such changes hecause of the politi-cal influence still wielded by their respective temperance

Perhaps it is not such a paradox. In their different ways, the Finns, Norwegians and Swedes are proud and jealous of their way of life and the prosperous, welfare societies they have created against the climetic odds - even if the recession has put them under severe strain.

fishing accounts for only a tiny propor. If the Community camp in a clear tion of gross were in a more domestic produpbeat phase, a uct and employs only a Yes vote could be only a fragile small fraction of the work-force. But fisheasy to attain

ing and the sea retain an unshakeable place in the national identity. Fishing makes up, in the memorable metaphor of an adviser to Prime Minister Gro Harlem Brundtland. 30 per cent of political GDP. The issue of EC fishing quotas is, therefore, much more than just a question of fish stock management

and fishermen's income. Likewise, the argument that food would become cheaper and choice wider if protection and subsidy for Arctic and sub-Arctic farmers were dismantled, cuts little ice with a Nordic public that has traditionally been willing to pay a price for sustaining the population in remote areas. People do not understand why, as all three

countries would become net contributors to the EC budget, Brussels should not fund some of these subsidies just as it did for disadvantaged southern rural areas when they joined the Community. Scepticism towards the EC in

societies that are wary of outsiders has been reinforced by the recent disarray within the Community. Confronted by confusion over the Maastricht treaty, currency chaos, recession and, not least, the woeful EC response to war in former Yugoslavia, public opinion has hardened against the Community, just as it has within many For instance, in Norway, of the member countries. Opinion polls

show the No lead in Norway and Sweden and, at best, Yes vote in Finland. The three Nordic govern-

ments, particularly those in Oslo and Helsinki, are thus adopting a muscular pose in the negotiations. Each has promised to hold a referendum before making the final deci-sion on accession, and they are worried that they will lose unless they are seen to have struck a hard bargain. Hence Mr Esko Aho, the Finnish prime minister, whose own rurally based Centre party is divided over the EC, talks of

adopt a "northern approach". In spite of such utterances, it could be a mistake for the EC to conclude that the Nordic countries do not really want membership. With the possible exception of Norway, It is hard to find senior policymakers.

the Community having to

officials, businessmen and even trade unionists who do not think the three would be better off inside than outside the EC. The prospect of breakdown in negotiations tends to induce a collective shudder. There is a clear undercurrent of anxiety over the possible

consequences of being left oot

- of the north hecoming a dead-end street, as one Swede put it. A recent Finnish study showed that 71 per cent of vot-ers thought Finland would soon join the EC, suggesting a belief that there is no practical alternative. Many people throughout the region say that, if the Community were in a more upbeat phase, as it was at the end of the 1990s, a Yes vote would be easy to attain. There remains the faint suspicion that the Community, exhausted by the events of the past 13 months, is amhivalent about enlargement.

If the leaderships on both sides are sincere in their expressions of mutual commitment to the goal of Nordic accession, they are doing a poor joh of getting the message across to the public. An impression of distrust will grow if the autumn round of negotiations proves as difficult as predicted.

Instead of allowing attention to be focused on disputes over subsidies per head of reindeer political leaders should try to rejuvenate the vision of the Nordic countries taking their place in the expanding family of European nations. Perhaps an EC-Nordic summit on board a Baltic cruise liner would do the trick

Hugh Carnegy